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City of Newport Beach
3300 Newport Boulevard
P.O. Box 1768
Newport Beach, CA 92659-1768

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23-MAR-1994 03:59 PM

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Page 1 of 61 Fees: \$ 0.00
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DEVELOPMENT AGREEMENT

BETWEEN

THE CITY OF NEWPORT BEACH

AND

HOAG MEMORIAL HOSPITAL PRESBYTERIAN

Approved February 14, 1994
Ordinance No. 94-8

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is entered into between the City of Newport Beach (the "City"), and Hoag Memorial Hospital Presbyterian ("Hoag").

1. RECITALS. This Agreement relates to the following:

1.1 Purpose of Agreement. This Agreement is intended to:

- (a) Enable Hoag to adapt to the ever changing health care needs of those residents within its service area by authorizing design parameters of new or additional facilities in a manner that will allow Hoag to respond to rapid changes in medical and health care technology and delivery systems.
- (b) Establish strict, binding limits on the amount and height of permitted development as well as ensure compliance with numerous conditions on the density, location, and timing of construction to minimize, to the extent feasible, any environmental impacts of Hoag's proposed expansion.
- (c) Impose exactions such as dedication of property, construction of public improvements and/or the installation of landscaping visible to the public, which, when considered in conjunction with the public services provided by Hoag, benefit the general public.

1.2 Authorization. This Agreement is authorized by, and is consistent with, the provisions of 65864 et seq. of the Government Code of the State of California, and Chapter 15.45 of the Newport Beach Municipal Code.

1.3 Interest of Hoag. Hoag is the legal and/or equitable owner of approximately forty (40) acres of real property located in the City and more particularly described in Exhibit "A" and depicted in Exhibit "B" (the "Property").

1.4 Development of the Property. This Agreement authorizes development on the Property consistent with the Hoag Memorial Hospital Presbyterian Master Plan and Planned Community Development Plan ("Master Plan", a copy of which is attached to this Agreement as Exhibit "C" and incorporated by reference when appropriate), subject to the conditions and mitigation measures identified in Environmental Impact Report No. 142 and imposed by the City Council as conditions to approval of the Master Plan and this Agreement and, for all development within

the coastal zone subject to approval of a coastal development permit by the California Coastal Commission or its successor agency.

- 1.5 Planning Commission/City Council Hearings. The Planning Commission, after giving appropriate notice, held public hearings to consider a development agreement, the proposed Master Plan, and the EIR on December 5, 1991, January 9, 1992, January 23, 1992, February 6, 1992, and February 20, 1992. The City Council conducted public hearings on the Master Plan, this Agreement and the EIR on March 23, 1992, March 30, 1992, April 13, 1992 and May 11, 1992.
- 1.6 Consistency. This Agreement is consistent with the various elements of the Newport Beach General Plan, the Master Plan, and other applicable ordinances, plans, and policies of the City. This Agreement is also consistent with the purpose and intent of state and local laws authorizing development agreements in that it represents comprehensive planning, provides certainty in the approval of subsequent projects subject to compliance with conditions, reduces the economic costs of development by providing assurance to Hoag that it may generally proceed with projects in accordance with existing regulations, and provides assurance to adjoining property owners that limits on the height of structures and amount of development as specified in the Master Plan and this Agreement will remain in full force and effect for a period of twenty-five (25) years.
- 1.7 Police Power. The City Council has determined that this Agreement is in the best interests of the health, safety and general welfare of the City, its residents and the public, was entered into pursuant to, and represents a valid exercise of, the City's police power, and has been approved in accordance with the provisions of state and local law that establish procedures for the approval of development agreements.
- 1.8 City Ordinance. On February 14, 1994, the City Council adopted Ordinance No. 94-8 approving this Agreement and authorizing the City to enter into this Agreement. The Adopting Ordinance will become effective on March 16, 1994.

2. DEFINITIONS.

- 2.1 The "Adopting Ordinance" refers to City Ordinance No. 94-8, adopted on February 14, 1994, by the City Council, which approved and authorized the City to enter into this Agreement.
- 2.2 "Agreement" refers to this "Development Agreement Between the City of Newport Beach and Hoag Memorial Hospital Presbyterian".

- 2.3 "Annual Review" refers to the review of Hoag's good faith compliance with this Agreement and conditions on development as set forth in Section 5.
- 2.4 The "Approval Date" means the date on which the City Council voted to adopt the Adopting Ordinance.
- 2.5 All forms of use of the verb "assign" and the nouns "assignment" and "assignee" shall include all contexts of hypothecations, sales, conveyances, transfers, leases, and assignments.
- 2.55 "California Coastal Commission" refers to the California State Resources Agency established under the California Coastal Act of 1976.
- 2.6 "CEQA" and the "CEQA Guidelines" refers to the California Environmental Quality Act and the CEQA Guidelines promulgated by the Secretary of Resources of the State of California, including any amendments adopted subsequent to the Effective Date.
- 2.7 "City" refers to the City of Newport Beach, California.
- 2.8 "City Council" refers to the City Council of the City.
- 2.9 "Cure Period" refers to the period of time during which a Default may be cured pursuant to Section 9.
- 2.10 A "day" or "days" refers to a calendar day, unless expressly stated to be a business day.
- 2.11 A "Default" refers to any material default, breach, or violation of the provisions of this Agreement. A "City Default" refers to a Default by the City, while a "Hoag Default" refers to a default by Hoag.
- 2.12 The "Effective Date" refers to the effective date of the Adopting Ordinance and is the effective date of this Agreement. provided however, the Agreement has been approved by the California Coastal Commission, and the Executive Director of the Coastal Commission is in receipt of a copy of this Agreement signed by both parties.
- 2.13 The "EIR" refers to final Environmental Impact Report No. 142 of the City of Newport Beach and Supplemental Environmental Impact Report No. 142.
- 2.14 An "Estoppel Certificate" refers to the document certifying the status of this Agreement required by Section 5.6 in the form of Exhibit "D".

- 2.15 An "Exaction" refers to those specific dedications and improvements required of Hoag and set forth in Section 8.2 below.
- 2.16 An "Exhibit" refers to an exhibit to this Agreement. All Exhibits are incorporated as a substantive part of this Agreement. The Exhibits to this Agreement are:
- Exhibit A: Legal Description of the Property
- Exhibit B: Map of the Property
- Exhibit C: The Master Plan
- Exhibit D: Estoppel Certificate
- 2.17 "Existing General Regulations" means those General Regulations approved by the City on or before the Approval Date (irrespective of their effective date) and not rescinded or superseded by City action taken on or before the Approval Date.
- 2.18 "Future General Regulations" means those General Regulations (see Section 2.19 below) adopted by the City after the Approval Date.
- 2.19 "General Regulations" means those ordinances, rules, regulations, policies, and guidelines of the City, which are generally applicable to the use of land and/or construction within the City and include, the Fair Share Traffic Contribution Fee Ordinance, Uniform Building Codes and water and sewer connection and fee ordinances.
- 2.20 "General Plan" refers to the City's General Plan in effect on the Approval Date, plus all amendments to the General Plan adopted by the City on or before the Approval Date and effective prior to the Effective Date.
- 2.21 "Hoag" refers to Hoag Memorial Hospital Presbyterian, a non-profit corporation.
- 2.22 "Includes" and all contexts and forms of the words "includes" and "including" shall be interpreted to also state "but not limited to."
- 2.23 "Master Plan" refers to the Hoag Memorial Hospital Presbyterian Master Plan and Planned Community Development Plan which was adopted by the City on May 26, 1992 (Exhibit "C").
- 2.24 "Mortgagee" refers to the holder of a beneficial interest under any mortgage, deed of trust, sale-leaseback agreement, or other

transaction under which all or a portion of the Property, including those portions acquired by assignees, is used as security (a "Mortgage") or the owner of any interest in all or any portion of the Property under a Mortgage, including those portions acquired by assignees.

- 2.25 "Notice" refers to any written notice or demand between the Parties required or permitted by this Agreement.
- 2.26 The "Parties" refers to the City and Hoag and a "Party" shall refer to either of the Parties.
- 2.27 "Planning Commission" refers to the Planning Commission of the City.
- 2.28 The "Project" refers to the proposed development of the Property pursuant to the Master Plan and this Agreement.
- 2.29 "Project Specific Approvals" means all site-specific (meaning specifically applicable to the Property only and not generally applicable to some or all other properties within the City) plans, subdivision maps, permits, or other entitlement. Project Specific Approvals include subdivision maps, site plan review, conditional use permits, coastal development permits, variances, grading and building permits, as well as amendments or modifications to those plans, maps and permits. Project Specific Approvals does not include Existing or Future General Regulations.
- 2.30 The "Property" refers to the real property described on Exhibit "A" and depicted on Exhibit "B."

3. CONDITIONS TO DEVELOPMENT.

- 3.1 Introduction. The provisions of this Section express the intent of the parties regarding the extent to which this Agreement vests Hoag's right to proceed with the development described in the Master Plan. Hoag acknowledges that its right to proceed with development described in the Master Plan is subject to numerous conditions and mitigation measures including the following:
 - (a) The specific limitations and restrictions contained in the Master Plan;
 - (b) Conditions and mitigation measures imposed by the City Council to mitigate significant effects identified in the EIR;

- (c) Conditions imposed by the City as a result of subsequent or supplemental environmental analysis pursuant to provisions of CEQA and the CEQA Guidelines;
- (d) Conditions imposed by the City Council in conjunction with the approval of Traffic Study No. 81 and Variance No. 1180;
- (e) Compliance with the terms and conditions specified in this Agreement.
- (f) Compliance with Existing General Regulations.

3.2 Compliance with Master Plan Conditions/Mitigation Measures. Hoag acknowledges that City Council approval of the Master Plan and this Agreement was subject to compliance with numerous conditions and mitigation measures designed to minimize or eliminate the significant adverse effects of the Project and ensure the health, safety, and welfare of nearby residents as well as Hoag patients and employees. Many of these conditions and mitigation measures impose specific development standards and requirements to be implemented in conjunction with further study and analysis of site or subsurface conditions before grading or construction. Specific mitigation measures that require compliance with, or satisfaction of, standards before grading or construction can occur include the following:

- (a) Slope excavation techniques which insure stability;
- (b) Grading and excavation techniques which minimize disturbance to adjacent residents and the general public;
- (c) Identification of potential faults on site and construction of buildings pursuant to recommendations of certified geologists and in a manner which insures that nearby residents, Hoag patients and Hoag employees are not exposed to a significant risk of injury;
- (d) Evaluation of soil corrosivity and removal of corrosive soils or use of corrosion resistant construction materials;
- (e) Mitigation of impacts caused by removal of wetlands through off-site restoration as required by resource agencies;
- (f) Preparation and approval of a project trip generation study prior to development of Phase I of the Master Plan (if Hoag proposes a land use other than specified in the approved Traffic Study);

- (g) Preparation and approval of a project trip generation study as a condition to construction of development in Phases II and III of the Master Plan;
- (h) Preparation and approval of a Traffic Phasing Ordinance analysis prior to construction of development in Phase II and Phase III of the Master Plan;
- (i) Preparation of a view impact analysis of each proposed building prior to issuance of permits;
- (j) Analysis and mitigation of emissions in accordance with the regulations of the South Coast Air Quality Management District;
- (k) Preparation and approval of a construction phasing and traffic control plan for each phase of development.

Hoag's right to develop the Property pursuant to the Master Plan is contingent upon compliance with, and satisfaction of, the conditions and mitigation measures imposed by the City Council as of the Approval Date, conditions imposed by the California Coastal Commission required for approval of coastal development permits, as well as conditions and mitigation measures resulting from subsequent environmental analysis as specified in Paragraph 3.3.

- 3.25 Future Coastal Act discretionary review may result in specific mitigation measures to ensure consistency with the Coastal Act that require compliance with, or satisfaction of, standards before grading or construction can occur.

3.3 Program EIR. Hoag acknowledges that the EIR is a "Program EIR." The EIR analyzes the impacts of construction phased over time and, pursuant to CEQA, City is under a continuing obligation to analyze Hoag's requests for Project Specific Approvals to ensure the environmental impacts associated with the request were fully addressed in the EIR. Subsequent environmental documentation is required if this analysis reveals environmental impacts not fully addressed in the program EIR, identifies new impacts, or concludes the specific request is not consistent with the project described in the EIR. Hoag acknowledges the right and obligation of the City and the Coastal Commission or its successor agency to impose additional conditions as the result of the subsequent environmental analysis required by CEQA.

- 3.4 Mitigation Monitoring Plan. City shall prepare a Mitigation Monitoring Plan ("Plan") within sixty (60) days after the Effective Date. Hoag shall not submit any application for Project Specific Approval until the Plan has been approved by the City Council and the Executive Director of the Coastal Commission or the appropriate entity of its successor agency.

The Plan shall comply with and satisfy the requirements of CEQA and the Guidelines and the Coastal Act. The Plan shall be available to the public upon request.

- 3.5 Compliance with General Regulations. Hoag is required to comply with the Existing General Regulations. As to those Existing General Regulations which require the payment of fees, costs, and expenses, Hoag shall pay the fee, cost, or expense required as of the date on which Hoag submits the application for Project Specific Approval. Hoag shall also comply with any Future General Regulations that do not impair Hoag's ability to develop the Property in accordance with the density, intensity, height and location of development specified in the Master Plan. Hoag shall also comply with all provisions of the Uniform Building Code, whether adopted before or after the Approval Date, which are in effect at the time applications for Project Specific Approvals are submitted. Hoag shall also comply with the Coastal Act and the City's certified Local Coastal Program.

4. RIGHT TO DEVELOPMENT.

- 4.1 Right to Develop. Subject to compliance with the provisions of Sections 3 and 8.2, Hoag shall have a vested right to develop and receive Project Specific Approvals for construction on the Property to the full extent permitted by the Master Plan. Subject to the provisions of Sections 3 and 8, City shall only take action which complies with and is consistent with the Master Plan and this Agreement unless Hoag otherwise consents in writing. Subject to this Subsection, City shall have the authority to impose only those Exactions which are specifically described in this Agreement, except as expressly required (as opposed to permitted) by state or federal law.
- 4.2 Reservations or Dedications of Land. Except as expressly provided in this Agreement, no dedications or reservations of the Property shall be required of Hoag in conjunction with the application or issuance of any Project Specific Approvals.
- 4.3 Conflicting Measures. Except as expressly provided in this Agreement, no initiative measure, moratorium, referendum (except as provided in Government Code Section 65857.5), ordinance, statute or other provision of law which in any way limits or restricts development of the Property to the full extent permitted by the Master Plan and this Agreement (including density, intensity, timing, phasing, and sequencing) shall be applied to the Property during the term of this Agreement.

- 4.4 Time for Construction and Completion of Project. Subject to the provisions of this Agreement and the Master Plan, Hoag shall have the right to decide the timing, phasing, and sequencing of construction on the Property and shall be entitled to apply for, and receive approval of, in a timely manner, permits or approvals at any time.

5. ANNUAL REVIEW.

- 5.1 City and Hoag Responsibilities. At least every twelve (12) months during the Term, the City shall review Hoag's good faith substantial compliance with this Agreement (the "Annual Review"). After the Annual Review, the City's finding of good faith compliance by Hoag shall be conclusive for the purposes of future Annual Reviews or legal action between the Parties. Either Party may address any requirements of the Agreement during the Annual Review. However, fifteen (15) days' written Notice of any requirement to be addressed shall be made by the requesting Party. If, at the time of the review, an issue not previously identified in writing is required to be addressed, the review shall be continued at the request of either Party to afford sufficient time for analysis and preparation of a response.
- 5.2 Public Hearing. The Annual Review shall be conducted at a public hearing noticed in accordance with the provisions of Chapter 15.45 of the Newport Beach Municipal Code.
- 5.3 Information to be Provided to Hoag. The City shall mail to Hoag a copy of the staff report and related exhibits concerning Agreement performance a minimum of ten (10) days before the Annual Review.
- 5.4 Mitigation Review. The annual review shall include a detailed report of compliance with the various conditions and mitigation measures contained within the mitigation monitoring plan. The report shall include an analysis of the view impacts of buildings constructed in comparison to the anticipated views as depicted in the EIR. For the five year monitoring period imposed by the Department of Fish and Game Streambed Alteration Agreement entered into between the Department of Fish and Game and Hoag, the annual review shall also assess the success of any off-site wetlands mitigation. Five years after the completion of the Department of Fish and Game monitoring period, Hoag shall submit a final report assessing the success of the off-site wetlands mitigation in its annual review. If the survival and cover requirements set forth in the Streambed Alteration Agreement have not been met, Hoag shall be responsible for replacement planting to achieve these requirements. Hoag shall be found in compliance with this Agreement unless the City Council determines, based upon the

evidence presented at the Annual Review, that Hoag has not complied with all mitigation measures and conditions including those imposed as a result of subsequent environmental analysis, applicable to the grading of, or building on, the Property as of the date of the Annual Review.

5.5 Review Letter. If Hoag is found to be in compliance with the Agreement after the Annual Review, the City shall issue, within ten (10) days of Hoag's written request, a letter to Hoag stating that the Agreement remains in effect and Hoag is not in Default.

5.6 Estoppel Certificate. Either Party may at any time deliver written Notice to the other Party requesting an estoppel certificate (the "Estoppel Certificate") stating:

- (a) The Agreement is in full force and effect and is a binding obligation of the Parties.
- (b) The Agreement has not been amended or modified either orally or in writing or, if so amended, identifying the amendments.
- (c) No Default in the performance of the requesting Party's obligations under the Agreement exists or, if a Default does exist, the nature and amount of any Default.

A Party receiving a request for an Estoppel Certificate shall provide a signed certificate to the requesting Party within thirty (30) days after receipt of the request. The Planning Director may sign Estoppel Certificates on behalf of the city. An Estoppel Certificate may be relied on by assignees and Mortgagees. The Estoppel Certificate shall be substantially in the same form as Exhibit "D."

5.7 Failure to Conduct Annual Review. The City's failure to conduct an Annual Review shall not constitute or be asserted by the City as Hoag's Default.

6. GENERAL PROVISIONS.

6.1 Effective Date. This Agreement and the obligations of the Parties shall be effective as of the Effective Date. However, this Agreement shall bind the Parties as of the Approval Date, subject only to the Adopting Ordinance becoming effective pursuant to California law.

6.2 Applicability to Coastal Zone. This Agreement shall not be applicable to those portions of the Property located within the Coastal Zone as defined by the California Coastal Act (Division

20, California Public Resources Code, beginning with Section 30000) until either (1) the required local coastal program for the Property has been certified by the California Coastal Commission or (2) the California Coastal Commission has approved this Agreement. This Subsection is intended solely to comply with the provisions of California Government Code Section 65869 and shall be of no force or effect if Section 65869 is repealed.

6.3 Term of Agreement. The term of this Agreement (the "Term") shall begin on the Effective Date and continue for twenty-five (25) years unless otherwise terminated or modified pursuant to this Agreement. Any modifications to this Agreement prior to effective certification of the City's Local Coastal Program (LCP), are subject to the review and approval of the Coastal Commission or its successor agency.

6.4 Assignment. Hoag has the absolute right to assign (see Section 2.5) its rights and/or delegate its obligations under this Agreement as part of an assignment of all or a portion of the Property. Any assignment shall be subject to the provisions of this Agreement. As long as Hoag owns any part of the Property, Hoag may assign the benefits of this Agreement without delegating the obligations for the portion of the Property assigned. If that occurs, however, the benefits assigned shall remain subject to the performance by Hoag of the corresponding obligations.

Where an assignment includes the delegation of both the benefits and the corresponding obligations, those obligations become solely the obligations of the assignee. If an assignee is in Default, then as to Hoag or any assignees not in Default, the Default shall not constitute their Default, give grounds for termination of their rights under this Agreement or be a basis for an enforcement action against them.

6.5 Amendment of Agreement.

(a) Subject to the provisions of Subsection (b), and subject to approval of the Coastal Commission or its successor agency prior to effective certification of the City's Local Coastal Program (LCP), this Agreement may be amended from time to time by the mutual consent of the Parties, or their successors in interest, but only in the manner provided by the Government Code and this Agreement. After any amendment, the term "Agreement" shall refer to the amended Agreement.

(b) The City Council shall not approve, and Hoag shall not request, any amendment to the provisions of the Master Plan or this Agreement that would increase the maximum

permitted gross floor area or the maximum permitted building height (within any lettered building envelope) above that established by the Master Plan as of the Effective Date of this Agreement. This Subsection shall prevail over any conflicting ordinance, resolution, policy or plan adopted by the City Council.

6.6 Enforcement. This Agreement is enforceable by each of the Parties and their respective successors and assigns.

6.7 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

- (a) Expiration of the twenty-five (25) year term;
- (b) Entry, after all appeals have been exhausted, of a final judgment or issuance of a final order directing the City to set aside, withdraw, or abrogate the City's approval of this Agreement or any material part of the Project; or,
- (c) The effective date of a Party's election to terminate the Agreement as provided in Section 9.3 of this Agreement.

6.8 Hoag shall defend, indemnify and hold harmless the City and its officers and employees with respect to any claim, loss or damage in any way related to the grading, excavation or stabilization of the slopes adjacent to the view parks by Hoag or its employees, agents contractors or representatives. This Section is not intended to impose liability on Hoag for the acts of persons other than Hoag or its agents, representatives or contractors.

6.9 Hoag shall enter into an agreement with City to accept ownership of, and responsibility for maintenance of, the existing methane gas venting flare and any device for collecting gas that is subsequently installed on the Property pursuant to conditions or mitigation measures imposed in conjunction with the Master Plan approval or subsequent environmental analysis.

7. CONFLICTS OF LAW.

7.1 Conflict with State and Federal Laws and Regulations. Where state or federal laws or regulations prevent compliance with one or more provisions of this Agreement, those provisions shall be modified, through revision or suspension, to the

extent necessary to comply with such state or federal laws or regulations and the modified Agreement shall remain in effect, subject to the following:

- (a) the City shall not request modification of this Agreement pursuant to this provision unless and until the City Council makes a finding that such modification is required (as opposed to permitted) by state and federal laws or regulations;
- (b) the modifications must be limited to those required (as opposed to permitted) by the state or federal laws;
- (c) the modified Agreement must be consistent with the state or federal laws or regulations which required modification or suspension;
- (d) the intended material benefits of this Agreement must still be received by each of the Parties after modification;
- (e) neither the modification nor any applicable local, state, or federal laws or regulations, may render the modified Agreement impractical to enforce; and
- (f) Hoag consents in writing to the modification.
- (g) Any modifications, prior to effective certification of the City's Local Coastal Program (LCP) are subject to approval of the Coastal Commission or its successor agency.

Hoag shall have the right to seek judicial review of any proposed modification to ensure compliance with this Section.

7.2 Effect of Termination. If this Agreement is terminated as a result of changes in state or federal law, Hoag remains obligated to comply with the provisions of Section 8.2(a) and (b), unless Hoag has completed construction of less than twenty-five percent (25%) of the maximum permitted development.

8. PUBLIC BENEFITS/EXACTIONS.

8.1 Public Benefits. City and Hoag agree that this Agreement confers a substantial public benefit by enabling Hoag to construct facilities most appropriate to changes in medical technology and thereby better satisfy the health care needs of residents within its service area. In addition, the Master

Plan and this Agreement confer benefits on the public and nearby residents by imposing long term restrictions on the height, amount and location of development as well as the public improvements described in Section 8.2.

8.2 Exactions. Hoag shall, as a condition to the right to develop, do the following:

- (a) Prior to commencement of development, irrevocably offer to dedicate and grade the proposed linear and consolidated view park identified in Figure 3.2.1 of Volume 1 of the EIR. The City shall accept the offer of dedication within sixty (60) days after the initial grading permit has been finalled by the City. The first stage of development shall include grading of the public linear and consolidated viewpark identified in Figure 3.2.1. of Volume I of the EIR. Hoag shall grade and excavate the slope adjacent to the proposed .28 (28/100) acre consolidated public view park and .52 (52/100) acre public linear view park in a way that ensures stability of the park and adjacent slopes. The grade (between the bicycle path and edge of slope) of the view parks shall be the minimum necessary to insure adequate drainage. The improvement for the linear and consolidated public parks shall be completed within three (3) years after the offer of dedication has been accepted by the City. The City shall ensure that adequate erosion control measures are implemented prior to construction.
- (b) Subsequent to the approval of this Agreement by the Coastal Commission and the expiration of any statute of limitation for filing a legal challenge to this Agreement, the Master Plan, or the EIR, Hoag shall deposit Two Hundred and Fifty Thousand Dollars (\$250,000.00) in an account, and at a financial institution, acceptable to City. The account shall be in the name of the City provided, however, Hoag shall have the right to access the funds in the event, but only to the extent that, Hoag constructs or installs the improvements described in (i) or (ii). Funds in the account shall be applied to the following projects (in order of priority upon notice to proceed served by City on Hoag):
 - (i) The construction of a sidewalk and installation of landscaping in the CalTrans right-of-way along the west side of Newport Boulevard southerly of Hospital Road;

- (ii) The construction of facilities necessary to bring reclaimed water to West Newport and/or the Property;

Any funds remaining in the account after completion of the projects described in (i) and (ii) shall be used by the City to fund, in whole or in part, a public improvement in the vicinity of the property.

- (c) City and Hoag shall conduct a study of possible future improvements in and around the easterly end of Semenik Slough that would, among other things, improve the appearance of the area and, potentially, serve as a component to improve public access from residential areas in West Newport to park land and public recreation facilities proposed in conjunction with development of the West Newport Oil Company property. The study shall analyze, among other things, the type of improvements that would improve the area without adversely impacting wetlands, the possible location of pedestrian trails and the potential for those trails to improve access to proposed recreational facilities, phasing of the improvements, potential public benefits, and the cost of the improvements. As a part of the study, Hoag and City shall meet and confer with resource agencies relative to the type and extent of improvements that may be permitted in or adjacent to wetlands. Hoag shall fund the study and participate in the cost of constructing any improvements in the area that the City Council determines are feasible and in the public interest, provided, however, the financial contribution of Hoag, including the costs of the study and improvements, shall not exceed Two Hundred Thousand Dollars (\$200,000.00).

- (d) Hoag's obligations pursuant to Subsection (c) are contingent on Coastal Commission approval of the Master Plan and attached as Exhibit C to this Agreement with no significant reduction in entitlement from that authorized in the Master Plan. Hoag's obligations pursuant to Subsection (b) shall be reduced through good faith negotiations in the event the Coastal Commission reduces entitlement by ten percent (10%) or more from that authorized in the Master Plan.

9. DEFAULT, REMEDIES AND TERMINATION.

- 9.1 General Provisions. In the event of a Default (see Section 2.11), the Party alleging a Default shall give the other Party

a written Notice of Default. The Notice of Default shall specify the nature of the alleged Default, and a reasonable manner and sufficient period of time (not less than thirty (30) days) in which the Default must be cured (the "Cure Period"). During the Cure Period, the Party charged shall not be considered in Default for the purposes of termination of the Agreement or institution of legal proceedings. If the alleged Default is cured within the Cure Period, then a Default shall be deemed not to exist.

- 9.2 Option to Institute Legal Proceedings or to Terminate. If an alleged Default is not cured within the Cure Period, the noticing Party must give the defaulting Party a Notice of intent to terminate the Agreement. Within thirty (30) days after giving of the Notice, the City Council shall hold a public hearing in the manner set forth in Government Code Sections 65865, 65867, and 65868, as amended, to consider and review the matter.
- 9.3 Notice of Termination. After considering the evidence presented to the City Council, the Party alleging the Default, at its option, may give written Notice of termination of the Agreement to the other Party and the Agreement shall be terminated immediately upon giving the Notice. A termination shall be valid only if good cause exists and clear and convincing evidence was presented to the City Council to establish the existence of a Default. The findings of the City Council as to the existence of a Default shall have no weight in any legal proceeding brought to determine the existence of a Default. The validity of any termination may be challenged pursuant to Section 11.16, in which case the court must render an independent judgment, on the basis of clear and convincing evidence, as to the existence of good cause for termination. Termination may result only from a material Default of a material provision of this Agreement.
- 9.4 Waiver. Failure or delay in giving Notice of Default shall not waive a Party's right to give future Notice of the same or any other Default.
- 9.5 Default by Hoag. If the City alleges a Hoag Default, the City shall conduct a hearing utilizing the Annual Review procedures required by this Agreement before the City may commence legal proceedings to terminate this Agreement.
- 9.6 Default by the City. If Hoag alleges a City Default, Hoag, without limiting any of its other remedies, shall not be

obligated to proceed with or complete the Project or any phase of the Project, nor to perform any further obligations under the Agreement. Upon a City Default, any resulting delays in Hoag's performance shall neither be Hoag's Default nor constitute grounds for termination or cancellation of the Agreement by the City.

10.0 ENCUMBRANCES AND RELEASES ON PROPERTY.

- 10.1 Discretion to Encumber. Hoag may encumber all or any portion of the Property in any manner. The City acknowledges that lenders providing financing may require technical modifications to the Agreement which do not materially alter the intent of the Parties. The City agrees to meet, upon request, with Hoag and/or lenders to negotiate in good faith any lender request for modification. The City agrees to not withhold unreasonably its consent to such modification. Any such modification, prior to effective certification of the City's Local Coastal Program (LCP), is subject to the review and approval of the Executive Director of the Coastal Commission or its successor agency.
- 10.2 Entitlement to Written Notice of Default. Any Mortgagee and its successors and assigns, upon written request to the City, shall be entitled to receive from the City written Notice of any Hoag Default at the same time Hoag is provided with Notice pursuant to Section 9.1.

11.0 MISCELLANEOUS PROVISIONS.

- 11.1 Notices. All Notices (see Section 2.26) shall be written and delivered by personal delivery (including Federal Express and other commercial express delivery services providing acknowledgments or receipt), registered, certified, or express mail, or telegram to the addresses set forth below. Receipt shall be deemed complete as follows:
- (a) For personal delivery, upon actual receipt;
 - (b) For registered, certified, or express mail, upon the delivery date or attempted delivery date as shown on the return receipt; and
 - (c) For telegram, upon the transmission of the telegram.

Notices shall be addressed as follows:

To the City: City Clerk
City of Newport Beach
3300 Newport Boulevard
Newport Beach, CA 92660
Attention: City Attorney
Attention: City Manager

To Hoag: Hoag Memorial Hospital Presbyterian
301 Newport Boulevard
Newport Beach, CA 92663
Attention: President

With a copy to:

Tim Paone
Paone, Callahan, McHolm & Winton
19100 Von Karman, 8th Floor
P.O. Box 19613
Irvine, CA 92713-9613

The addresses to which Notices shall be sent may be changed by giving Notice of a new address.

11.2 Enforced Delay; Extension of Time of Performance. Neither Party shall be deemed to be in Default where delays or non-performance are due to war, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, oil spills, casualties, acts of nature, unavailability of materials, governmental restrictions imposed or mandated by governmental entities, suspension of rights in accordance with the existence of unforeseen circumstances, litigation, or similar bases for excused performance. If written Notice of such delay is given to the other Party within thirty (30) days after such delay begins an extension of time for performance shall be granted in writing for the period of the delay, or longer as may be mutually agreed upon. In no event shall the term of this Agreement be extended as a result of the application of this Subsection.

11.3 Severability. If any material part of the Agreement is found by a court to be invalid, void, or illegal, the Parties shall modify the Agreement to implement the original intent of the Parties. These steps may include the waiver by either of the Parties of their right under the unenforceable provision. If, however, the Agreement objectively cannot be modified to implement the original intent of the Parties and the Party substantially benefitted by the material provision does not waive its rights under the unenforceable provision, the entire

Agreement shall become void. For purposes of this Section, and without excluding the possible materiality of other provisions of this Agreement, all provisions of Sections 3, 4 and 8 are deemed "material."

- 11.4 Entire Agreement. This Agreement constitutes the entire understanding and Agreement of the Parties regarding the subject matter of this Agreement. This Agreement supersedes all negotiations and previous agreements between the Parties regarding that subject matter.
- 11.5 Waivers. All waivers of the provisions of this Agreement must be in writing and signed by the Party making the waiver and, prior to effective certification of the City's Local Coastal Program (LCP), are subject to approval of the Coastal Commission or its successor agency.
- 11.6 Incorporation of Recitals. The Recitals set forth in Section 1 are part of this Agreement.
- 11.7 Covenant of Good Faith and Fair Dealing. Neither Party shall do anything which shall have the effect of harming or injuring the right of the other Party to receive the benefits of this Agreement.
- 11.8 Further Actions and Instruments. Upon the request of either Party, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.
- 11.9 Successors and Assigns. Subject to Section 6.3 above, the burdens of this Agreement shall be binding upon, and the benefits of the Agreement inure to, all successors-in-interest and assigns of the Parties.
- 11.10 Construction of Agreement. All language in all parts of this Agreement shall be construed as a whole and given its fair meaning. The captions of the paragraphs and subparagraphs are for convenience only and shall not be considered or referred to in resolving questions of construction. This Agreement shall be governed by the laws of the State of California. This Agreement is not intended to impermissibly contract away the

legislative and governmental functions of the City, and in particular, the City's police powers or to surrender or abrogate the city's governmental powers over the Property.

- 11.11 Authority to Execute. The person executing this Agreement on behalf of Hoag warrants and represents that he/she has the authority to do so and the authority to bind Hoag to the performance of Hoag's obligations under this Agreement.
- 11.12 Consent. Any consent required by the Parties in carrying out the terms of this Agreement shall not unreasonably be withheld.
- 11.13 Effect on Title. This Agreement shall not continue as an encumbrance against any portion of the Property as to which this Agreement has terminated.
- 11.14 Recording. The City Clerk shall cause a copy of this Agreement to be executed by the City and recorded in the Official Records of Orange County no later than ten (10) days after the Effective Date. The recordation of this Agreement is deemed a ministerial act and the failure of the City to record the Agreement as required by this Section and Government Code Section 65868.5 does not make the Agreement void or ineffective.
- 11.15 Institution of Legal Action. In addition to any other rights or remedies, either Party may institute legal action to cure, correct, or remedy any Default, to enforce any provision of this Agreement, to enjoin any threatened or attempted violation of this Agreement, to recover damages for any Default, or to obtain any remedies consistent with the purpose of this Agreement. Legal actions shall be instituted in the Superior Court of the County of Orange, State of California, or in the Federal District Court in the Central District of California.
- 11.16 Attorneys' Fees. In any arbitration, quasi-judicial, administrative, or judicial proceeding between the Parties initiated with respect to this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all costs, expenses, and disbursements in connection with such action.

Date: 2-23-94, 1994

CITY OF NEWPORT BEACH

By: Clarence Turner
Clarence Turner, Mayor

Date: March 9, 1994

HOAG MEMORIAL HOSPITAL PRESBYTERIAN

By: Albert J. Auer
Albert J. Auer
Chairman of the Board

wb\hoagda4.fnl
1/21/94

HOAG MEMORIAL HOSPITAL PRESBYTERIAN

**PLANNED COMMUNITY
DEVELOPMENT CRITERIA
AND
DISTRICT REGULATIONS**

**Recommended for Approval
by the Planning Commission
February 20, 1992**

**Adopted by the City Council
City of Newport Beach
Amendment No. 744
Ordinance No. 92-3
May 26, 1992**

**Amendment No. 2002-001
City Council Ordinance No. 2002-17
August 27, 2002**

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I. INTRODUCTION

Background

The Hoag Memorial Hospital Presbyterian Planned Community District in the City of Newport Beach has been developed in accordance with the Newport Beach General Plan. The purpose of this Planned Community District is to provide a method whereby property may be classified and developed for hospital-related uses. The specifications of this District are intended to provide land use and development standards supportive of the proposed use while ensuring compliance with the intent of all applicable regulatory codes.

The Planned Community District includes district regulations and a development plan for both the upper and lower campuses of Hoag Hospital. In general, over the long term, the upper campus will become oriented primarily towards emergency, acute and critical care (predominantly inpatient) uses and the lower campus will be developed with predominantly outpatient uses, residential care and support services.

Whenever the regulations contained in the Planned Community text conflict with the regulations of the Newport Beach Municipal Code, the regulations contained in the Planned Community text shall take precedence. The Municipal Code shall regulate this development when such regulations are not provided within these district regulations. All development within the Planned Community boundaries shall comply with all provisions of the Uniform Building Code and other governing building codes.

II. GENERAL NOTES

1. Water service to the Planned Community District will be provided by the City of Newport Beach.
2. Development of the subject property will be undertaken in accordance with the flood protection policies of the City of Newport Beach.
3. All development of the site is subject to the provisions of the City Council Policies K-5 and K-6 regarding archaeological and paleontological resources.
4. Except as otherwise stated in this text, the requirements of the Newport Beach Zoning Ordinance shall apply. The contents of this text notwithstanding, all construction within the boundaries of this Planned Community District shall comply with all provisions of the Uniform Building Code, other various codes related thereto and local amendments.
5. All buildings shall meet Title 24 requirements. Design of buildings shall take into account the location of building air intake to maximize ventilation efficiency, the incorporation of natural ventilation, and implementation of energy conserving heating and lighting systems.
6. Any fire equipment and access shall be approved by the Newport Beach Fire Department.
7. New mechanical appurtenances on building rooftops and utility vaults, excluding communications devices, on the upper campus shall be screened from view in a manner compatible with building materials. Rooftop mechanical appurtenances or utility vaults shall be screened on the lower campus. Noise shall not exceed 55 dBA at all property lines. No new mechanical appurtenances may exceed the building height limitations as defined in these district regulations.
8. Grading and erosion control shall be carried out in accordance with the provisions of the City of Newport Beach Grading Ordinance and shall be subject to permits issued by the Building and Planning Departments.
9. Sewage disposal facilities within the Planned Community will be provided by Orange County Sanitation District No. 5. Prior to issuance of any building permits it shall be demonstrated to the satisfaction of the Planning Department that adequate sewer facilities will be available. Prior to the occupancy of any structure it shall be further demonstrated that adequate sewer facilities exist.
10. Mass grading and grading by development phases shall be allowed provided that landscaping of exposed slopes shall be installed within 30 days of the completion of grading.

III. DEFINITIONS

Building Elevation:

1. A vertical distance of a building above or below a fixed reference level, i.e., MSL (mean sea level).
2. A flat scale drawing of the front, rear, or side of a building.

Building Envelope: The volume in which a building may be built as circumscribed by setback lines and maximum allowable building heights.

Building Height: The vertical distance measured from the finished grade to the highest point of the structure. At all points, the height measurement shall run with the slope of the land.

Emergency Room: A service and facility designated to provide acute emergency medical services for possible life threatening situations.

Entitlement, Gross Floor Area: Any area of a building or portion thereof including the surrounding exterior walls, but excluding

1. Area of a building utilized for stairwells and elevator shafts on levels other than the first level of a building in which they appear;
2. Area of a building which measures less than 8 feet from finished floor to ceiling and is not for general or routine occupancy;
3. As applied to new construction permits issued on or after August 13, 2002, area of a building used specifically for base isolation and structural system upgrades directly related to requirements of governmental agencies and is not for general or routine occupancy; and
4. As applied to new construction permits issued on or after August 13, 2002, enclosed rooftop mechanical levels not for general or routine occupancy.

Fast Aid: Low acuity medical treatment for non-life threatening situations.

General Plan: The General Plan of the City of Newport Beach and all elements thereof.

Grade: For the purpose of determining building height:

1. Finished - the ground level elevation which exists after any grading or other site preparation related to, or to be incorporated into, a proposed new development or alteration of existing developments. (Grades may be worked into buildings to allow for subterranean parking.)
2. Natural -the elevation of the ground surface in its natural state before man-made alterations.
3. Existing - the current elevation of ground surface.

Inpatient Uses: Hospital patient services which require overnight stay.

Landscape Area: The landscape area shall include on-site walks, plazas, water, rooftop landscaping and all other areas not devoted to building footprints or vehicular parking and drive surfaces.

Mean Sea Level: A reference or datum mark measuring land elevation using the average level of the ocean between high and low tides.

Outpatient Uses: Hospital patient services which do not require overnight stay.

Residential Care: Medically-oriented residential units that do not require the acuity level generally associated with inpatient services but require overnight stays.

Site Area: For the purpose of determining development area:

1. Gross - parcel area prior to dedications.
2. Net - parcel area after dedications.

Special Landscaped Street: West Coast Highway is designated as a special landscaped street, containing special landscape requirements.

Streets: Reference to all streets or rights-of-way within this ordinance shall mean dedicated vehicular rights-of-way.

IV. DEVELOPMENT PLAN

Project Characteristics

The upper campus of Hoag Hospital is located on a triangular site of approximately 17.57 acres and is bounded by Newport Boulevard to the east, Hospital Road to the north and existing residential developments (the Versailles and Villa Balboa/Seafaire condominiums) to the west. The lower campus is located north of West Coast Highway, south of the Versailles and Villa Balboa/Seafaire Condominiums, west of Newport Boulevard and east of Superior Avenue. It contains approximately 20.41 acres and adjoins the upper campus at its eastern boundary. The upper campus is, and will continue to be, oriented towards inpatient functions, while the lower campus will be developed with predominantly outpatient, residential care and support services.

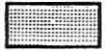
Development Plan

The Planned Community Development Plan for Hoag Hospital is shown on Exhibit 1. From 1990 to 2015, many of the existing buildings shown on the Development Plan for the upper campus may be redeveloped in order to functionally respond to the needs of the Hospital and conform to the requirements of State agencies.

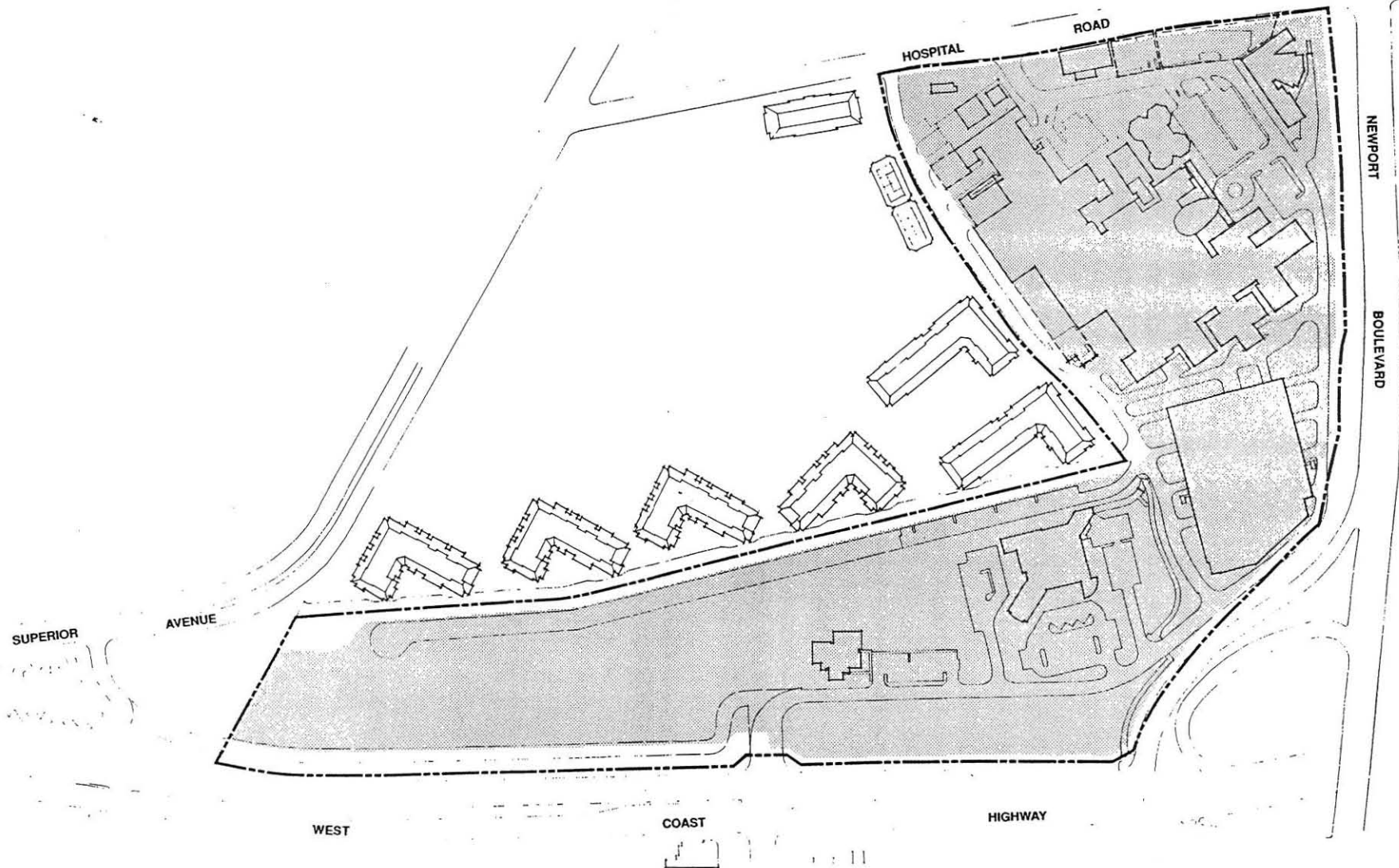
The Development Plan includes a 0.8 acre view park adjacent to the bike trail between the lower campus and the Villa Balboa/Seafaire Condominiums. This view park includes a twenty-foot wide linear park area adjacent to the bike path (approximately 0.5 acres) and a consolidated view park at the westerly edge of the property (approximately 0.3 acres). A bike trail connection is also provided between the existing bike trails at the northern and southern boundaries of the lower campus. Access to the lower campus will be from West Coast Highway and Superior Avenue, as well as from Hospital Road, via the upper campus. Exhibit 2 shows the internal circulation for Hoag Hospital.

The Development Plan does not specify building locations or specific hospital related uses. Instead, a developable area is identified based on the regulations established for this Planned Community District. Because of the dynamic nature of the health care industry which leads to rapid technological changes that effect how health care services are delivered, the Development Plan for Hoag Hospital sets development caps as a function of allowable densities established by the Newport Beach General Plan.

LEGEND



AREA OF DEVELOPMENT



PLANNED COMMUNITY DEVELOPMENT PLAN HOAG MEMORIAL HOSPITAL PRESBYTERIAN

EXHIBIT 1



And Spack Associates, Inc.
11000 1st Ave. Suite 100
Broomfield, Colorado 80020
781-444-4444 FAX 781-444-4445








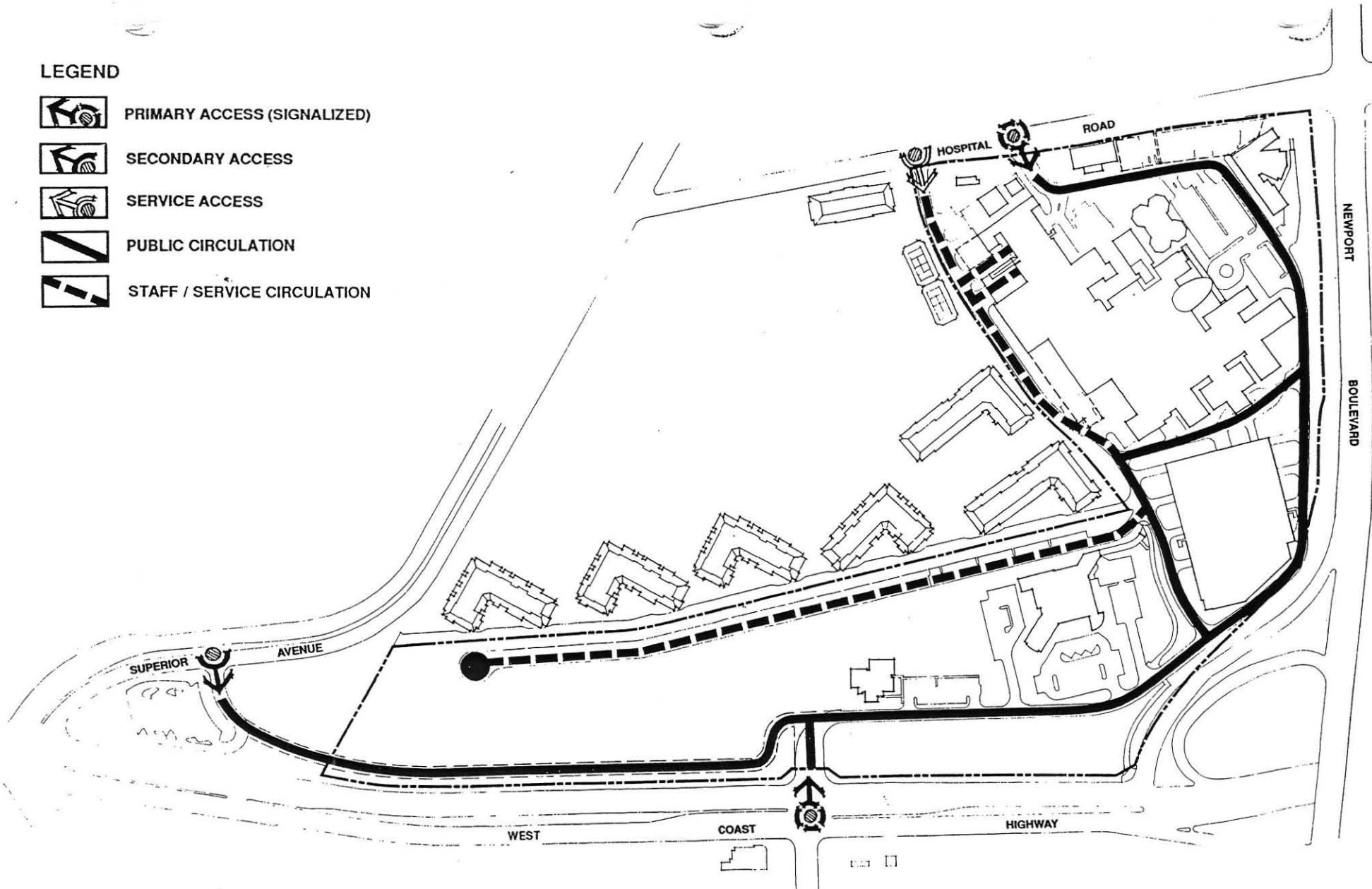
The statistical analysis (Table 1) provides a summary of a potential development profile for Hoag Hospital. In order to provide flexibility for the hospital to respond to changes in the health care industry, while at the same time ensuring that trip generation restrictions are adhered to and the overall development cap is not exceeded, this Development Plan allows Hoag Hospital to adjust the development profile provided in the statistical analysis. For example, if changing hospital needs necessitate the development of additional outpatient uses, this development would be allowed, consistent with the Development Plan, as long as a corresponding adjustment in square footage and trip generation for another use were to occur.

This Development Plan allows Hoag Hospital to adjust the development profile provided in the statistical analysis (Table 1) as long as the development limit (i.e., square feet) or the trip generation limit for the peak period (as identified in the Environmental Impact Report) established within each phase of development is not exceeded.

Adjustments to the Development Plan may be allowed if the total square footage or trip generation allowed in the current phase of development is exceeded, if the total development or trip generation allowed under the Development Plan is not exceeded.

LEGEND

-  PRIMARY ACCESS (SIGNALIZED)
-  SECONDARY ACCESS
-  SERVICE ACCESS
-  PUBLIC CIRCULATION
-  STAFF / SERVICE CIRCULATION



VEHICULAR ACCESS

HOAG MEMORIAL HOSPITAL PRESBYTERIAN

EXHIBIT 2



Soil Speed Systems, Inc.
11 Avenue 1 mile, Suite 100
Irvine, California 92714
(714) 250-0500 FAX (714) 250-8501



Table 1

STATISTICAL ANALYSIS¹

<u>Use</u>	<u>Square Feet</u>
Lower Campus	
Existing:	
Outpatient Services (Hoag Cancer Center)	65,000
Child Care	7,800
Subtotal:	<u>72,800</u>
Phase I:	
Outpatient Services	115,000
Support Service	55,000
Administrative	30,000
Subtotal:	<u>200,000</u>
Phases II & III:	
Subtotal:	305,089
<u>Total Lower Campus</u>	<u>577,889</u>
Upper Campus	
Existing²:	480,000
Phase I:	
Outpatient Services	25,000
Inpatient	115,000
Subtotal:	<u>140,000</u>
Phases II & III:	145,349
<u>Total Upper Campus</u>	765,349
GRAND TOTAL	1,343,238³

¹ Full development of the upper and lower campuses is anticipated to occur over an approximate 20-year period and will likely occur in three, seven-year phases.

² Up to 50% of the existing upper campus may be redeveloped by master plan buildout.

³ Based on development allowed under the General Plan at a floor area ratio to gross site area of .65 for the lower campus and 1.0 for the upper campus. Building Bulk limit for the lower campus is 0.90 for all structures which includes above grade covered parking.

V. DISTRICT REGULATIONS

The following regulations apply to all development within the Hoag Hospital Planned Community. The individual uses listed under the five permitted use categories are not an exhaustive list. Other hospital-related uses which fit into the five permitted use categories are allowed by definition. Prior to the issuance of a building permit, plot plans, elevations and any other such documents deemed necessary by the Planning, Building and Public Works Departments shall be submitted for the review and approval of the Planning, Building, and Public Works Departments.

A. Permitted Uses

1. Lower Campus

a) Hospital facilities, including, but not limited to:

i. Outpatient services:

- Antepartum Testing
 - Cancer Center
 - Skilled Nursing
 - Rehabilitation
 - Conditioning
 - Surgery Center
 - Clinical Center
 - Day Hospital
 - Back and Neck Center
 - Biofeedback
 - Breast Imaging Center
 - CT Scan
 - Dialysis
 - EEG/EMG/NICE Laboratory
 - First Aid Center
 - Fertility Services
 - G.I. Laboratory
 - Laboratory
 - Magnetic Resonance Imaging
 - Nuclear Medicine
 - Occupational Therapy
 - Pediatrics
 - Pharmacy
 - Physical Therapy
 - Pulmonary Services
 - Radiation Therapy
 - Radiology
 - Respiratory Therapy
 - Sleep Disorder Center
-

- Speech Therapy
 - Ultrasound
- ii. Administration:
- Admitting
 - Auxiliary Office
 - Business Offices
 - Information
 - Registration
 - Patient Relations
 - Social Services
- iii. Support Services:
- Employee Child Care
 - Health Education
 - Power/Mechanical/Auxiliary Support and Storage
 - Food Services
 - Cashier
 - Chapel/Chaplaincy Service
 - Conference Center
 - Dietitian
 - Gift Shop
 - Laboratory
 - Medical Library
 - Medical Records
 - Pharmacy
 - Engineering/Maintenance
 - Shipping/Receiving
 - Microwave, Satellite, and Other Communication Facilities
- iv. Residential Care:
- Substance Abuse
 - Mental Health Services
 - Extended Care
 - Hospice Care
 - Self or Minimal Care
 - Congregate Care
- v. Medical/Support Offices
- b) Methane gas flare burner, collection wells and associated system components.
- c) Accessory uses normally incidental to hospital development.
- d) Temporary structures and uses, including modular buildings.

2. Upper Campus

- a) Hospital facilities, including, but not limited to:
 - i) Inpatient uses:
 - Critical Care
 - Emergency Care Unit
 - Birth Suites
 - Cardiology
 - Cardiac Care Unit
 - Intensive Care Unit
 - Mother/Baby Unit
 - Surgery/Waiting Rooms
 - Radiology
 - Laboratory
 - Pharmacy
 - ii) Outpatient services as allowed on the lower campus
 - iii) Administrative uses as allowed on the lower campus
 - iv) Support services as allowed on the lower campus
 - v) Residential care as allowed on the lower campus
 - vi) Heliport (subject to Conditional Use Permit)
- b) Accessory uses normally incidental to hospital development.
- c) Temporary structures and uses, including modular buildings.

B. Prohibited Uses

- 1. Lower Campus
 - a) Emergency Room
 - b) Heliport
 - c) Conversion of mechanical, structural or utility spaces to uses that allow general or routine occupancy or storage.
- 2. Upper Campus
 - a) Conversion of mechanical, structural or utility spaces to uses that allow general or routine occupancy or storage.

C. Maximum Building Height

The maximum building height of all buildings shall be in accordance with Exhibit 3 which established the following height zones:

1. Upper Campus Tower Zone - maximum building height not to exceed the existing tower (235 feet above mean sea level).
2. Upper Campus Midrise Zone - maximum building height not to exceed 140 feet above mean sea level.
3. Upper Campus Parking zone - maximum building height not to exceed 80 feet above mean sea level, exclusive of elevator tower.
4. Lower Campus Zone, Sub-Areas A, B, C, F and G - within each sub-area no building shall exceed the height of the existing slope and conform to the range of maximum building heights indicated on the development criteria Exhibit 3.
5. Lower Campus Zone, Sub-Areas D and E - maximum building height shall not exceed the height of the existing Hoag Cancer Center (57.5 feet above mean sea level).

D. Setbacks

Setbacks for the Hoag Hospital Planned Community are shown on Exhibit 3.

1. Setbacks will be provided along property boundaries adjacent to the Villa Balboa / Seafaire Condominiums, as defined below:
 - a) Upper campus western boundary setback shall be the prolongation of the westerly edge of the existing cafeteria/laboratory building to the points of intersection with the easterly curb line of the existing service drive, then continuing along said line of the existing service drive.
 - b) Lower campus northern boundary, all of which will have a 20' minimum building setback.

2. The setback on West Coast Highway easterly of the hospital entry signal shall be 15 feet.

In addition, vertical articulation shall be required for buildings easterly of the signal within 150 feet of the West Coast Highway frontage, as follows:

1st Floor: Up to 18 feet in height no additional articulation is required. If the 1st floor exceeds 18 feet in height, it shall be subject to the articulation requirements of the 2nd Floor.

2nd Floor (up to 32' in height): A minimum of 20% of the building frontage shall be articulated in such a manner as to result in an average 2nd floor setback of 20 feet.

3rd Floor and above: A minimum of 20% of the building frontage shall be articulated in such a manner as to result in an average 3rd floor and above setback of 25 feet.

The setback on West Coast Highway westerly of the hospital entry signal shall be 45 feet.

In addition, vertical articulation shall be required for buildings westerly of the signal for buildings within 150 feet of the West Coast Highway frontage, as follows:

1st Floor: Up to 18 feet in height no additional articulation is required. If the 1st floor exceeds 18 feet in height, it shall be subject to the articulation requirements of the 2nd Floor.

2nd Floor (up to 32' in height): A minimum of 20% of the building frontage shall be articulated in such a manner as to result in an average 2nd floor setback of 55 feet.

3rd Floor and above: A minimum of 20% of the building frontage shall be articulated in such a manner as to result in an average 3rd floor and above setback of 65 feet.

In order to avoid any future structures in this area (within 150 feet of West Coast Highway) from presenting an unacceptable linear mass, no single structure shall be greater than 250 linear feet in width. Additionally, 20% of the linear frontage within 150 feet of West Coast Highway shall be open and unoccupied by buildings.

10% of the linear length of height zones A and B as viewed from the existing bicycle/pedestrian trail, exclusive of that area adjacent to the consolidated portion of the view park, shall be maintained as view corridors between buildings.

These requirements may be altered for individual buildings, if requested by the hospital, through the site plan review process defined in Section IX.

3. There will be no building setbacks along the boundary with CalTrans east property at Superior Avenue and West Coast Highway.
4. A 20-foot setback from property line shall be provided along Newport Boulevard from Hospital Road to a point 600 feet south; a 25-foot setback from property line shall be provided along the remainder of Newport Boulevard and along the Newport Boulevard/West Coast Highway Interchange.
5. A ten (10) foot building setback from the property line shall be provided along Hospital Road.

E. Lighting

The lighting systems shall be designed and maintained in such a manner as to conceal the light source and to minimize light spillage and glare to the adjacent residential uses. The plans shall be prepared and signed by a licensed Electrical Engineer.

F. Roof Treatment

Prior to the issuance of building permits, the project sponsor shall submit plans which illustrate that major mechanical equipment will not be located on the roof of any structure on the Lower Campus. Rather, such buildings will have clean rooftops. Minor rooftop equipment necessary for operating purposes will comply with all building height criteria, and shall be concealed and screened to blend into the building roof using materials compatible with roofing materials.

G. Signs

All signs shall be as specified under the Hoag Hospital Sign Program, Part VI.

H. Parking

All parking shall be as specified in Part VII, Hoag Hospital Parking Regulations.

I. Landscape





All landscaping shall be as specified in the Hoag Hospital Landscape Regulations, Part VIII.

J. Mechanical and Trash Enclosures

Prior to issuance of a building permit, the project sponsor shall submit plans to the City Planning Department which illustrate that all mechanical equipment and trash areas will be screened from public streets, alleys and adjoining properties.

HEIGHT ZONES

HEIGHT ZONES

- | | |
|---|--|
|  | TOWER ZONE — MAXIMUM BUILDING HEIGHT
235' ABOVE MEAN SEA LEVEL. |
|  | MIDRISE ZONE — MAXIMUM BUILDING HEIGHT
140' ABOVE MEAN SEA LEVEL. |
|  | PARKING ZONE — MAXIMUM BUILDING HEIGHT 80' ABOVE MEAN SEA
LEVEL, EXCLUSIVE OF ELEVATOR TOWER. |
|  | LOWER CAMPUS ZONE — SUB - AREAS A,B,C,F AND G - NO BUILDING SHALL
EXCEED THE HEIGHT OF THE EXISTING SLOPE OR THE
RANGE OF MAXIMUM BUILDING HEIGHTS INDICATED.
SUB - AREAS D AND E - MAXIMUM BUILDING HEIGHT
57.5 FEET ABOVE MEAN SEA LEVEL. |

OTHER DESIGN ELEMENTS

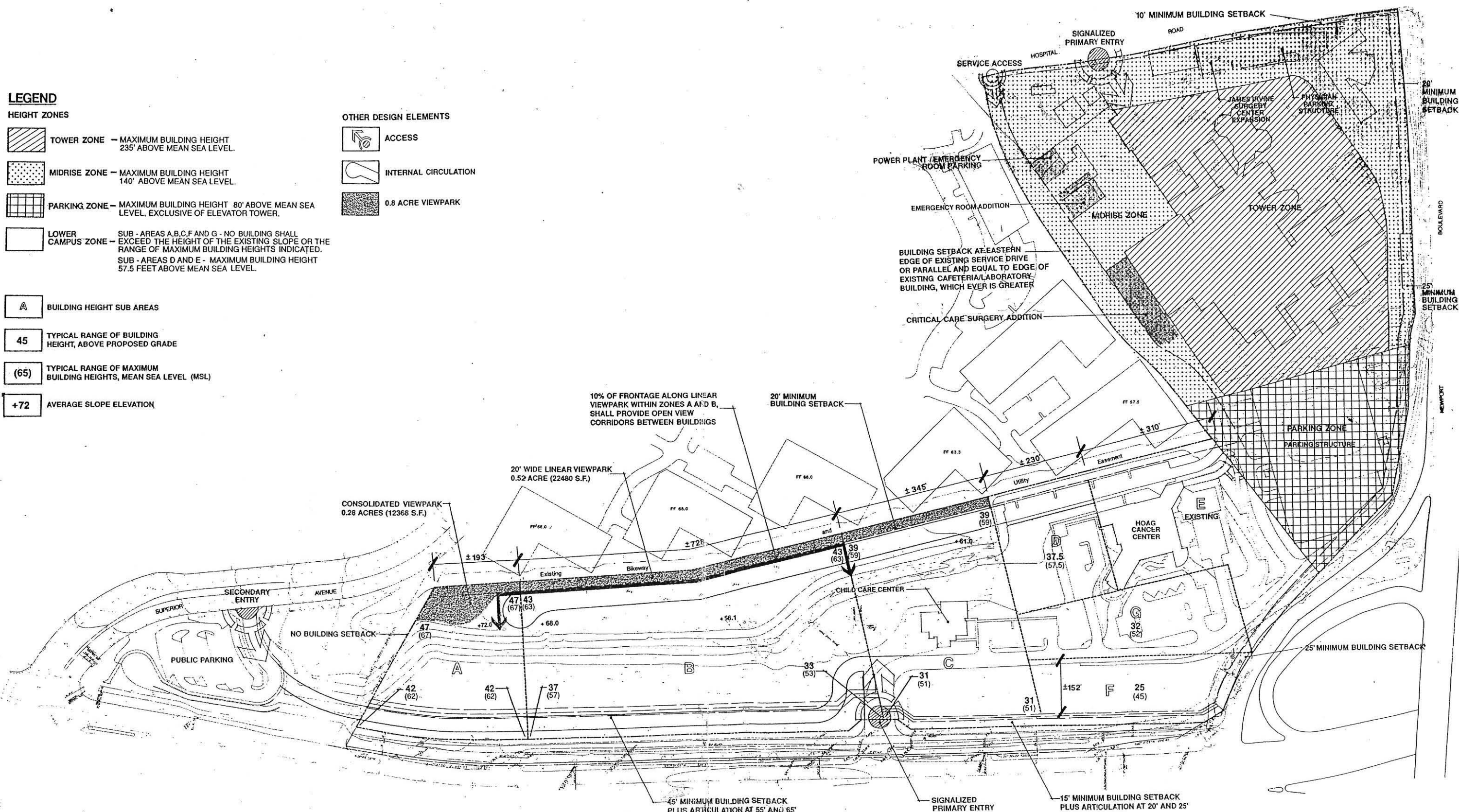
- ACCESS
- INTERNAL CIRCULATION
- 0.8 ACRE VIEWPARK

A BUILDING HEIGHT SUB AREAS

45 TYPICAL RANGE OF BUILDING HEIGHT, ABOVE PROPOSED GRADE

(65) TYPICAL RANGE OF MAXIMUM BUILDING HEIGHTS, MEAN SEA LEVEL (MSL)

+72 AVERAGE SLOPE ELEVATION



DEVELOPMENT CRITERIA
HOAG MEMORIAL HOSPITAL PRESBYTERIAN

K. Internal Circulation

1. Prior to the issuance of a grading permit for any of the proposed Master Plan facilities, the project sponsor shall implement a pilot program that controls usage of the Upper and Lower Campus service roads during non-working hours. Such controls may include requesting that the majority of vendors deliver products (other than emergency products) during working hours (i.e. 7:00 a.m. to 8:00 p.m.), signage to restrict use of the road by Hospital employees, physicians, patients and visitors during non-working hours, and other methods to restrict use. The Hospital will also request that vendors not deliver (i.e. scheduled and routine deliveries) on the weekends.

This restriction specifically applies to scheduled and routine deliveries. The results of this program will be submitted to the City prior to the issuance of the grading permit. If such results indicate that such controls do not significantly impact the operations of the Hospital, and provided that requests for specified vendor delivery times is consistent with future Air Quality Management Plan procedures, the City may require that the program be implemented as hospital policy. If operation impacts are significant, other mitigation measures will be investigated at that time to reduce service road impacts to the adjacent residential units.

2. The lower campus service road shall include provisions for controlled access to limit usage to physicians and staff, and service vehicles.

L. Loading Dock

Within one year from the date of final approval of the Planned Community District Regulations and Development Plan by the California Coastal Commission, as an interim measure, the project sponsor shall implement an acoustical and/or landscape screen to provide a visual screen from and reduce noise to adjoining residences from the loading dock area.

The design process for the Critical Care Surgery Addition shall include an architectural and acoustical study to insure the inclusion of optimal acoustical screening of the loading dock area by that addition.

Subsequent to the construction of the Critical Care Surgery Addition, an additional acoustical study shall be conducted to assess the sound attenuation achieved by that addition. If no significant sound attenuation is achieved, the hospital shall submit an architectural and acoustical study assessing the feasibility and sound attenuation implications of enclosing the loading dock area. If enclosure is determined to be physically feasible and effective in reducing noise impacts along the service access road, enclosure shall be required. Any enclosure required pursuant to this requirement may encroach into any required setback upon the review and approval of a Modification as set forth in Chapter 20.81 of the Newport Beach Municipal Code.

VI. HOAG HOSPITAL SIGN PROGRAM

A. Purpose and Intent

1. The purpose of this Sign Program is to provide adequate, consistent and aesthetically pleasing on-building wall and ground-mounted signage based upon the provisions set forth by the City of Newport Beach Sign Ordinance and the information signage requirements of Hoag Hospital.
2. The intent of this Sign Program is to produce uniform standards for Hoag Hospital.

B. General Sign Standards

1. All signs visible at the exterior of any building or facility of the Hospital, ground mounted or on-building, may be illuminated or non-illuminated, depending upon need. Illumination method may be by external or internal source. No sign shall be constructed or installed to rotate, gyrate, blink or move, nor create the illusion of motion, in any fashion.
2. All signs attached to building or facility exteriors shall be flush or surface mounted as is appropriate to the architectural design features of said building or facility.
3. All signs together with the entirety of their supports, braces, guys, anchors, attachments and decor shall be properly maintained, legible, functional and safe with regard to appearance, structural integrity and electrical service.
4. All street signs shall be subject to review and approval of the City Traffic Engineer, and shall be in compliance with Ordinance 110-L.

C. Number of Signs Allowed

1. One (1) double-faced primary identification ground-mounted sign or two single faced gateway entry signs shall be allowed per street frontage. In the case of a sign occurring upon a slope, the average height shall be established by measuring the sign height at the mid-point of the sign length perpendicular to the slope direction. Total maximum signage area shall not exceed two hundred (200) square feet and shall not exceed ten (10) feet in height per sign and street frontage. This sign may occur as a wall sign, to be located upon a project boundary perimeter wall, subject to the same number and area maximums described above. This sign may also occur as part of an entry gateway system.
2. Secondary identification signs shall be allowed. This sign type shall not exceed a maximum height of 48" average height above finished grade. In the case of a sign occurring upon a slope, the average height shall be established by measuring the sign height at the mid-point of the sign length perpendicular to the slope direction. Maximum sign area shall not exceed thirty-five (35) square

feet. This sign may occur as a wall sign to be located upon a project boundary perimeter wall, subject to the same number and area maximums described above.

3. Vehicular and pedestrian directional signs shall be allowed. This sign type may occur as a single-faced or double-faced sign. This sign type shall occur with the sign suspended between two upright supports having the same depth (thickness) as the sign cabinet described above.
4. Hospital identification signs shall be allowed upon hospital tower parapets, one (1) at each elevation. The elevation facing west (Villa Balboa property line) may not be illuminated.
5. On the lower campus, one (1) building-mounted identification sign will be allowed per structure and shall not be placed so as to directly face the Villa Balboa/Seafaire property. Such signs will be no higher than the roof line of the building upon which they are mounted.

VII. HOAG HOSPITAL PARKING REGULATIONS

A. General

1. Off-street parking for Hoag Hospital shall be provided on-site. Parking may be on surface lots, subterranean or in parking structures.
2. The design and layout of all parking areas shall be subject to the review and approval of the city Traffic Engineer and the Public Works Department.
3. Parking lot lighting shall be developed in accordance with City standards and shall be designed in a manner which minimizes impacts on adjacent land uses. Nighttime lighting shall be limited to that necessary for security and shielded down from any adjacent residential area. The plans shall be prepared and signed by a licensed electrical engineer, with a letter from the engineer stating that the requirements have been met. The lighting plan shall be subject to review and approval of the City Planning Department.

B. Requirements for Off-street Parking

Parking requirements for specific sites shall be based upon the parking criteria established in Table 2. All parking shall be determined based upon building type and the area allotted to the following functions. Any area that is calculated as part of the total floor area limitation shall be included in the gross floor area to determine the parking requirement.

Table 2

PARKING REQUIREMENTS

<u>Use Category</u>	<u>Parking Requirements</u>
Outpatient Services	2.0 spaces/1,000 square feet*
Support	1.0 spaces/1,000 square feet*
Administrative	4.0 spaces/1,000 square feet*
Residential Care	1.0 spaces/1,000 square feet*
Medical Offices	4.0 spaces/1,000 square feet*
Inpatient	1.25 spaces/1,000 square feet**

* Parking requirements are based on a study performed by DKS Associates in May, 1987.

** Parking requirement is based on current Hoag Hospital parking demand.

VIII. HOAG HOSPITAL LANDSCAPE REGULATIONS

A. General

1. Detailed landscape and irrigation plans, prepared by a registered Architect or under the direction of a Landscape Architect, shall be reviewed by the Planning and Parks, Beaches and Recreation Departments and approved by the Public Work Departments prior to issuance of a building permit and installed prior to issuance of Certificate of Use and Occupancy. The Landscape Plan may include a concept for the roofs and the parking structures. Trees shall not be used, but a planter box or trellis system shall be designed to provide visual relief of parking structures. All landscaping shall conform to the building height limits established in this text.
2. Parking lot trees shall be no less than fifteen (15) gallon size.
3. Shrubs to be planted in containers shall not be less than one (1) gallon size. Ground covers will be planted from (1) gallon containers or from root cuttings.
4. Every effort should be made to avoid using plants with invasive and shallow root systems.
5. Earth berms shall be rounded and natural in character, designed to obscure automobiles and to add interest to the site. Wheel stops shall be so placed that damage to trees, irrigation units and shrubs is avoided.
6. Trees in parking lots should be limited in variety. Selection should be repeated to give continuity. Regular spacing is not required and irregular groupings may add interest. Care should be exercised to allow plants to grow and maintain their ultimate size without restriction.
7. Heavy emphasis shall be placed on the use of drought-resistant native and naturalized vegetation and the use of an irrigation system designed to avoid surface runoff and over-watering.

B. Maintenance

1. All planting areas are to be kept free of weeds and debris.
2. Lawn and ground covers are to be kept trimmed and/or mowed regularly.
3. All plantings are to be kept in a healthy and growing condition. Fertilization, cultivation and tree pruning are to be carried out as part of regular maintenance.
4. Irrigation systems are to be kept in working condition. Adjustment and cleaning of system should be part of regular maintenance.

5. Stakes, guys and ties on trees should be checked regularly for correct function; ties to be adjusted to avoid creating abrasions or girdling to the stems.
6. Damage to plantings created by vandalism, automobile or acts of nature shall be corrected within thirty (30) days.

C. Special Landscaped Street

West Coast Highway is designated in the Hoag Hospital Planned Community as a special landscaped street. A 15' building setback from right-of-way / property line is required along West Coast Highway. Only driveways, parking and signage are allowed in the setback area. Parking areas shall be screened from view of West Coast Highway with landscaped berms.

Landscaping along West Coast Highway shall consist of trees, ground cover and shrubbery. All unpaved areas not utilized for parking or circulation shall be landscaped in a similar manner. Tree size to be no less than twenty-four (24) inch box.

D. Villa Balboa Landscape Zone

The area between the Villa Balboa/Hoag property line and the loading dock service access road shall be landscaped except for any driveway, walkway, or other hardscape elements in said area. The purpose of the landscaping will be to screen and buffer residential units from hospital activities.

E. Parking Areas

A minimum of 5% of the surface parking areas shall be devoted to planting areas. Planting areas around building shall not be included in parking area. Planting of trees may be in groups and need not necessarily be in regular spacing. Alternative landscape programs may be developed, including perimeter parking area landscaping, berming and depressing of parking areas. Alternative landscape programs shall be subject to the review of the Parks, Beaches and Recreation Department and the approval of the Planning and Public Works Departments.

A rooftop landscaping program may be developed for parking structures and shall be subject to the review of the Parks, Beaches and Recreation Department and the approval of the Planning and Public Works Departments. Rooftop landscaping shall conform to height restrictions.

IX. SITE PLAN REVIEW.

A. Purpose

The City Council finds that development on the West Coast Highway frontage of the lower campus of Hoag Hospital may have the potential to affect the aesthetics of the West Newport area as viewed from surrounding arterial roadways. The effect of this section is to establish a Site Plan Review requirement by the Planning Commission for certain individual projects which are proposed by the hospital to differ from the setback, horizontal and vertical articulation requirements as set forth in Section V.D.2. to insure that these projects conform with the objectives of the General Plan and the Master Plan for Hoag Hospital.

B. Findings

The City finds, determines and declares that the establishment of Site Plan Review procedures contained in this section promotes the health, safety, and general welfare of the community by ensuring that the development of Hoag Hospital proceeds in a manner which will not result in inadequate and poorly planned landscape areas, excessive building bulk on arterial roadways, inappropriate placement of structures and impairment of the benefits of occupancy and use of existing properties in the area.

C. Application

Site Plan Review approval shall be obtained prior to the issuance of a grading or building permit for any new structure or the addition to an existing structure which does not conform to the provisions of Section V.D.2.

D. Plans and Diagrams to be Submitted

The following plans and diagrams shall be submitted to the Planning Commission for approval:

1. A plot plan, drawn to scale, showing the arrangement of buildings, driveways, pedestrian ways, off-street parking and off-street loading areas, landscaped areas, signs, fences and walks. The plot plan shall show the location of entrances and exits, and the direction of traffic flow into and out of off-street parking and loading areas, the location of each parking space and loading space, and areas for turning and maneuvering vehicles. The plot plan shall indicate how utility and drainage are to be provided.
2. A landscape plan, drawn to scale, showing the locations of existing trees proposed to be removed and proposed to be retained; and indicating the amount, type, and location of landscaped areas, planting beds and plant materials with adequate provisions for irrigation.

3. Grading plans when necessary to ensure development properly related to the site and to surrounding properties and structures.
4. Scale drawings of exterior lighting showing size, location, materials, intensity and relationship to adjacent streets and properties.
5. Architectural drawings, renderings or sketches, drawn to scale, showing all elevations of the proposed buildings and structures as they will appear upon completion.
6. Any other plans, diagrams, drawings or additional information necessary to adequately consider the proposed development and to determine compliance with the purposes of this chapter.

E. Fee

The applicant shall pay a fee as established by Resolution of the City Council to the City with each application for Site Plan Review under this chapter.

F. Standards

In addition to the general purposes set forth in sub-section B, in order to carry out the purposes of this chapter as established by said section, the site plan review procedures established by this Section shall be applied according to and in compliance with the following standards, when applicable:

1. The development is in compliance with all other provisions of the Planned Community Development Criteria and District Regulations (P-C Text);
2. Development shall be compatible with the character of the neighborhood and surrounding sites and shall not be detrimental to the orderly and harmonious development of the surroundings and of the City;
3. Development shall be sited and designed to maximize the aesthetic quality of the project as viewed from surrounding roadways and properties, with special consideration given to the mass and bulk of buildings and the streetscape on West Coast Highway;
4. Site plan and layout of buildings, parking areas, pedestrian and vehicular access ways, landscaping and other site features shall give proper consideration to functional aspects of site development.

G. Public Hearing - Required Notice

A public hearing shall be held on all Site Plan Review applications. Notice of such hearing shall be mailed not less than ten (10) days before the hearing date, postage prepaid, using addresses from the last equalized assessment roll or, alternatively, from such other records as

contain more recent addresses, to owners of property within a radius of three hundred (300) feet of the exterior boundaries of the subject property. It shall be the responsibility of the applicant to obtain and provide to the City the names and addresses of owners as required by this Section. In addition to the mailed notice, such hearing shall be posted in not less than two conspicuous places on or close to the property at least ten (10) days prior to the hearing.

H. Action by the Planning Commission

If all applicable standards established by this Section are met, the Planning Commission shall approve the development. Conditions may be applied when the proposed development does not comply with applicable standards and shall be such as to bring said development into conformity.

If the development is disapproved, the Commission shall specify the standard or standards that are not met.

A Site Plan Review decision of the Planning Commission shall be subject to review by the City Council either by appeal, or upon its own motion, or upon the request of the Commission. The action of the Commission on any Site Plan Review shall be final and effective twenty-one (21) days following the Commission action thereon unless, within the twenty-one (21) day appeal period an appeal in writing has been filed by the applicant, or any other person, the Commission has requested a review of its decision, or unless the City Council, not more than twenty-one (21) days after the Commission action, on its own motion, elects to review and act on the action of the Commission, unless the applicant consents to an extension of time. The City Council may affirm, reverse or modify the decision. Such action by the City Council shall be final.

I. Appeal to the City Council

Any Site Plan Review decision of the Commission may be appealed to the City Council by the applicant or any other person, at any time within twenty-one (21) days after the date of the Commission decision. An appeal to the City Council shall be taken by filing a letter of appeal in duplicate, with the Planning Department. Such letter shall set forth the grounds upon which the appeal is based and shall be accompanied by a fee as established by Resolution of the City Council.

J. Action by the City Council

An appeal shall be heard and acted on by the City Council, and the City Council may affirm, reverse or modify the decision of the Commission. The decision of the City Council is final.

K. Expiration and Revocation of Site Plan Review Approvals

1. Expiration. Any Site Plan Review granted in accordance with the terms of this Title shall expire within 24 months from the date of approval if a building permit has not been issued prior to the expiration date and subsequently construction is diligently pursued until completion, unless at the time of approval the Planning Commission has specified a different period of time.

2. Violation of Terms. Any Site Plan Review granted in accordance with the terms of this Title may be revoked if any of the conditions or terms of such Site Plan Review are violated or if any law or ordinance is violated in connection therewith.
3. Hearing. The Planning Commission shall hold a hearing on any proposed revocation after giving written notice to the permittee at least ten days prior to the hearing, and shall submit its recommendations to the City Council. The City Council shall act thereon within 60 days after receipt of the recommendation of the Planning Commission.

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APPENDIX A

EXHIBIT C

HOAG HOSPITAL MASTER PLAN PROJECT
AMENDMENT NO. 744
MITIGATION MEASURES

AS ADOPTED BY THE CITY OF NEWPORT BEACH

MITIGATION MEASURE SUMMARY

1. Prior to the issuance of a grading permit, the Project Sponsor shall document to the City of Newport Beach Building Department that grading and development of the site shall be conducted in accordance with the City of Newport Beach Grading Ordinance and with plans prepared by a registered civil engineer. These plans shall incorporate the recommendations of a soil engineer and an engineering geologist, subsequent to the completion of a comprehensive soil and geologic investigation of the site. Permanent reproducible copies of the "Approved as Built" grading plans shall be furnished to the Building Department by the Project Sponsor.
2. Prior to the issuance of a grading permit, the Project Sponsor shall submit documentation to the City of Newport Beach Building Department confirming that all cut slopes shall be monitored for potential instabilities by the project geotechnical engineer during all site grading and construction activities and strictly monitor the slopes in accordance with the documentation.
3. Prior to the issuance of a grading permit, the Project Sponsor shall provide to the City of Newport Beach a comprehensive soil and geologic investigation and report of the site prepared by a registered grading engineer and/or engineering geologist. This report shall also identify construction excavation techniques which ensure no damage and minimize disturbance to adjacent residents. This report shall determine if there are any faults on site which could render all or a portion of the property unsafe for construction. All recommendations contained in this investigation and report shall be incorporated into project construction and design plans. This report shall be submitted to the City for review and approval.
4. Prior to the completion of the final design phase, the Project Sponsor shall demonstrate to the City of Newport Beach Building Department that all facilities will be designed and constructed to the seismic standards applicable to hospital related structures and as specified in the then current City adopted version of the Uniform Building Code.
5. Prior to the issuance of grading or building permits for each phase of development, the Building Department shall ensure that geotechnical recommendations included in "Report of Geotechnical Evaluation for Preparation of Master Plan and Environmental Impact Report, Hoag Memorial Hospital Presbyterian Campus, 301 Newport Boulevard, Newport, California" as prepared by LeRoy Crandall Associates, June, 1989, and in the report prepared pursuant to Mitigation Measure 3, are followed.
6. Prior to the issuance of a grading permit, the Project Sponsor shall conduct a soil corrosivity evaluation. This evaluation shall be conducted by an expert in the field of corrosivity. The site evaluation shall be designed to address soils to at least the depth to which excavation is planned. At a minimum, at least one sample from each soil type should be evaluated. Appropriate personnel protection shall be worn by field personnel during the field evaluation. In the event soils are

found to be corrosive, the source and extent of the corrosive soils shall be determined, and all buildings and infrastructure shall be designed to control the potential impact of corrosive soils over time.

7. Based on the corrosion assessment and source determination, a soils and construction material compatibility evaluation shall also be undertaken, concluding with the appropriate mitigation measures and design criteria. Corrosion resistant construction materials are commonly available and shall be used where the evaluation/assessment concludes that corrosive soils conditions could adversely impact normal construction materials or the materials used for the mitigation of subsurface gas conditions. For example, there are many elastomers and plastics, like PVC, which are resistant to corrosion by up to 70 percent sulfuric acid at 140 degrees Fahrenheit.
8. Should the soil be identified as hazardous due to the severeness of their corrosivity (i.e., a pH less than 2.5), on-site remediation by neutralization shall be undertaken prior to construction. Appropriate regulatory agency approvals and permits shall also be obtained.
9. Prior to issuance of grading permits, the Project Sponsor shall ensure that a construction erosion control plan is submitted to and approved by the City of Newport Beach that is consistent with the City of Newport Beach Grading Ordinance and includes procedures to minimize potential impacts of silt, debris, dust and other water pollutants. These procedures may include:
 - the replanting of exposed slopes within 30 days after grading or as required by the City Engineer.
 - the use of sandbags to slow the velocity of or divert stormflows.
 - the limiting of grading to the non-rainy season.

The Project Sponsor shall strictly adhere to the approved construction erosion control plan and compliance shall be monitored on an on-going basis by the Newport Beach Building Department.

10. Prior to the issuance of grading permits the Project Sponsor shall submit a landscape plan which includes a maintenance program to control the use of fertilizers and pesticides, and an irrigation system designed to minimize surface runoff and overwatering. This plan shall be reviewed by the Department of Parks, Beaches and Recreation and approved by the City of Newport Beach Planning Department. The Project Sponsor shall install landscaping in strict compliance with the approved plan.
11. The Project Sponsor shall continue the current practice of routine vacuuming of all existing parking lots and structures and shall also routinely vacuum all future parking lots and structures at current frequencies. Upon implementation of the County of Orange Storm Water Master Plan, routine vacuuming shall be done in accordance with the requirements specified in the plan.
12. Upon completion of final building construction plans, and prior to the issuance of a grading permit for each phase of development, the Project Sponsor shall ensure that site hydrological analyses are conducted to verify that existing drainage facilities are adequate. The applicant shall submit a report to the City of Newport

Beach Building Department for approval, verifying the adequacy of the proposed facilities and documenting measures for the control of siltation and of erosive runoff velocities. A copy of this report shall be forwarded to the California Regional Water Quality Control Board, Santa Ana Region.

13. Prior to the completion of final construction plans, the Project Sponsor shall submit a comprehensive geotechnical/hydrologic study to the City of Newport Beach Building Department, which includes data on groundwater. This study shall also determine the necessity for a construction dewatering program and subdrain system.
14. Prior to the completion of final building construction plans for each phase of Lower Campus development, the Project Sponsor shall submit an application to the Regional Water Quality Control Board for an NPDES permit if a construction dewatering or subdrain program is determined necessary by the Building Department based on the design and elevation of the foundation structures. Also, if dewatering is required by RWQCB, the Project Sponsor shall also conduct groundwater sampling and analysis, and submit it to the California Regional Water Quality Control Board Santa Ana Region. The results of this testing will assist in determining the specifications for the NPDES permit. The Project Sponsor shall strictly comply with all conditions of any NPDES Permit.
15. Project Sponsor shall strictly comply with its Hazardous Material and Waste Management Program and its Infectious Control Manual for all new activities associated with the proposed Master Plan, as well as strictly comply with all new regulations enacted between now and completion of the proposed Master Plan development.
16. The federal wetland regulations and requirements shall be reviewed by the City and the Project Sponsor at the time the proposed work is undertaken, and the project shall comply with all applicable laws concerning removal and mitigation of wetland at that time, as required by the U.S. Army Corps of Engineers and the California Coastal Commission. If this review results in a finding by the Resources Agencies involved in the permit processes that mitigation is required for impacts to the 1.07 acres of wetlands dominated by pampas grass, such mitigation will be accomplished as part of the mitigation required for impacts to sensitive wetland plant communities (Mitigation Measures 17 and 18).
17. The Project Sponsor shall prepare a comprehensive restoration and management plan for the wetland mitigation site as required by law. This plan will be submitted to the following agencies for their review and approval/concurrence prior to issuance of grading and/or building permits for Master Plan development.
 - U.S. Army Corps of Engineers¹
 - U.S. Fish and Wildlife Service¹

¹ Under the existing regulations, the Corps and USFWS would be consulted as part of the Section 404 permitting process. However, if proposed changes to the regulations result in removal of the project site from Corps jurisdiction, these agencies would not be required to review the wetland mitigation plan.

- California Department of Fish and Game²
 - City of Newport Beach
18. The resulting final mitigation plan shall be approved as part of the Coastal Development Permit for the project. The plan shall also be approved as part of the Corps Section 404 Permit and Streambed Alteration Agreement, if applicable. A wetland mitigation plan approved by the appropriate agencies shall be submitted to the City of Newport Beach prior to issuance of grading and/or building permits for Master Plan development in any areas affecting wetlands.
19. The plan will be consistent with the following provisions:
- The amount of new wetlands created under the mitigation plan shall be at least of equal size to the area of sensitive wetland communities impacted by the project.
 - The wildlife habitat values in the newly created wetlands shall not be less than those lost as the result of removal of sensitive wetland communities impacted by the project.
 - The wetlands created shall not decrease the habitat values of any area important to maintenance of sensitive plant or wildlife populations.
 - The wetland mitigation planning effort will take into consideration creation of 0.2 acre of salt grass habitat suitable for use by wandering skipper; such consideration would be dependent on the nature of the mitigation plan undertaken and whether wandering skipper could potentially occur in the mitigation area.
 - The plan will constitute an agreement between the applicant and the resource agencies involved. The plan shall be written so as to guarantee wetland restoration in accordance with stated management objectives within a specified time frame. The plan shall describe the applicant's responsibilities for making any unforeseen repairs or modifications to the restoration plan in order to meet the stated objectives of the plan.
20. The following detailed information will be provided by the Project Sponsor in the final mitigation plan:
- Diagrams drawn to scale showing any alterations to natural landforms;
 - A list of plant species to be used;
 - The method of plant introduction (i.e., seeding, natural succession, vegetative transplanting, etc.); and

² Regardless of other considerations, CDFG will review the wetland mitigation plan for the City of Newport Beach as part of the Coastal Development Permit process; CDFG review would also be provided as part of a Streambed Alteration Agreement, if required.

- Details of the short-term and long-term monitoring plans, including financing of the monitoring plans.
21. Prior to the issuance of a grading permit, an Orange County certified archaeologist shall be retained to, and shall, monitor the grading across the project area. The archaeologist shall be present at the pre-grading conference, at which time monitoring procedures acceptable to and approved by the City shall be established, including procedures for halting or redirecting work to permit the assessment, and possible salvage, of unearthened cultural material.
 22. Prior to the issuance of grading permits, an Orange County certified paleontologist shall be retained to, and shall, monitor the grading activities. The paleontologist shall be present at the pregrading conference, at which time procedures acceptable to and approved by the City for monitoring shall be established, including the temporary halting or redirecting of work to permit the evaluation, and possible salvage, of any exposed fossils. All fossils and their contextual stratigraphic data shall go to an Orange County institution with an educational and/or research interest in the materials.
 23. The Project Sponsor shall construct, if feasible and by mutual agreement, and maintain a fence along the common property line west of the Upper Campus. The proposed design of the fence shall be reviewed and approved by the City Engineering Department.
 24. The proposed project is subject to all applicable requirements of the City of Newport Beach General Plan, Zoning Code and Local Coastal Program (LCP). Those requirements that are superseded by the PCDP and District Regulations are not considered applicable. The following discretionary approvals are required by the City of Newport Beach: EIR certification, adoption of the Master Plan, adoption of the Planned Community Development Plan and District Regulations, approval of a Development Agreement, approval of a zone change to Planned Community District, grading permits, and building permits for some facilities. The California Coastal Commission has the discretionary responsibility to issue a Coastal Development Permit for the Lower Campus and a Local Coastal Program Amendment for the Lower Campus.
 25. Subsequent to completion of Phase I of the project, the Project Sponsor shall conduct a Traffic Phasing Ordinance (TPO) analysis for Phase II and II Master Plan development. The analysis shall identify potential intersection impacts, the proposed project traffic volume contributions at these impacted intersections, and the schedule for any intersection improvements identified as necessary by the study to insure a satisfactory level of service as defined by the TPO. This report shall be approved by the City prior to commencement of Phase II or III construction.
 26. Prior to issuance of building permits for Phase I of the project, the Project Sponsor shall conduct a project trip generation study which shall be reviewed and approved by the City Traffic Engineer. This study shall determine if the traffic to be generated by existing plus Phase I development will not exceed 1,338 PM peak hour traffic trips. In the event the Traffic Engineer determines that existing plus Phase I development will generate more than 1,338 PM peak hour trips, the project shall be reduced in size or the mix of land uses will be altered to reduce the PM peak hour trips to at or below 1,338.

27. Subsequent to completion of Phase I Master Plan development, the Project Sponsor shall conduct a project trip generation study to be reviewed and approved by the City Traffic Engineer. This study shall analyze whether the traffic to be generated by the subsequent phases of development (Phases II and III) will exceed 1,856 PM peak hour trips when added to the trips generated by existing (including Phase I) Hoag Hospital development. This study shall be conducted prior to the issuance of any grading or building permits for Phase II or III development.
28. The Project Sponsor shall continue to comply with all applicable regulations adopted by the Southern California Air Quality Management District that pertain to trip reductions such as Regulation 15.
29. The project shall comply with the City of Newport Beach Transportation Demand Management Ordinance approved by the City Council pursuant to the County's Congestion Management Plan.
30. In order to ensure accessibility to the available transit services for employees, visitors and patrons of the Hospital, the following transit amenities shall be incorporated into the Master Plan project:

Bus turnouts shall be installed if, and as required, by the City Traffic Engineer at all current bus stop locations adjacent to the project site. Bus turnouts shall be installed in accordance with standard design guidelines as indicated in OCTD's *Design Guidelines for Bus Facilities*.

31. Prior to issuance of a grading permit for any of the proposed Master Plan facilities, the Project Sponsor shall implement a pilot program approved by the City Traffic Engineer that monitors and manages usage of the Upper and Lower Campus service roads during non-working hours. Such controls may include requesting that the majority of vendors deliver products (other than emergency products) during working hours (i.e., 7:00 a.m. to 8:00 p.m.), signage to restrict use of the road by hospital employees, physicians, patients and visitors during non-working hours, and other methods by which to restrict use. The hospital shall also request that vendors not deliver (i.e., scheduled and routine deliveries) on the weekends.

This restriction specifically applies to scheduled and routine deliveries. The results of this program shall be submitted to the City for review prior to issuance of the grading permit. If the results indicate that such controls do not significantly impact the operations of the hospital, and provided that requests for specified vendor delivery times is consistent with future Air Quality Management Plan procedures, the City may require that the program be implemented as hospital policy. If operation impacts are significant, other mitigation measures would be investigated at that time to reduce service road impacts to the adjacent residential units.

32. Prior to issuance of approvals for development phases subsequent to Phase I, the applicant shall submit to the City Traffic Engineer for his/her review and approval a study that identifies the appropriate parking generation rates. The findings of this study shall be based on empirical or survey data for the proposed parking rates.

33. Prior to the issuance of precise grading permits for the phase of Master Plan development that includes new, or modifications to existing, internal roadways (other than service roads), the Project Sponsor will prepare an internal circulation plan for submittal to and approval by the Director of Public Works that identifies all feasible measures to eliminate internal traffic congestion and facilitates ingress and egress to the site. All feasible measures identified in this study shall be incorporated into the site plan.
34. Depending on actual site buildout, intersection improvements may be required at the Hospital Road (Upper Campus access) Placentia Avenue Intersection and at the WCH (Lower Campus access) intersection. The need for these improvements shall be assessed during subsequent traffic studies to be conducted in association with Mitigation Measure 25.
35. As each phase of the Master Plan is constructed, the Project Sponsor shall provide each new employee a packet outlining the available ridesharing services and programs and the number of the Transportation Coordinator. All new employees shall be included in the yearly update of the trip reduction plan for Hoag Hospital, as required by Regulation XV.
36. Prior to issuance of grading and building permits for each phase of development, the Project Sponsor shall provide evidence for verification by the Planning Department that the necessary permits have been obtained from the SCAQMD for regulated commercial equipment incorporated within each phase. An air quality analysis shall be conducted prior to each phase of development for the proposed mechanical equipment contained within that phase that identifies additional criteria pollutant emissions generated by the mechanical equipment to be installed in that phase. If the new emissions, when added to existing project emissions could result in impacts not previously considered or significantly change the land use impact, appropriate CEQA documentation shall be prepared prior to issuance of any permits for that phase of development. Each subsequent air quality analysis shall be reviewed and approved by the SCAQMD.
37. Prior to the issuance of grading and building permits for each phase of development, the project proponent shall provide evidence for verification by the Planning Department that energy efficient lighting has been incorporated into the project design.
38. Prior to the issuance of grading and building permits for each phase of Master Plan development, the Project Sponsor shall provide evidence that site plans incorporate the site development requirements of Ordinance No. 91-16, as appropriate, to the Traffic Engineering Division and Planning Department for review and Planning Commission approval. Requirements outlined in the Ordinance include:
 - 1) A minimum of five percent of the provided parking at new facilities shall be reserved for carpools. These parking places shall be located near the employee entrance or at other preferential locations.
 - 2) A minimum of two bicycle lockers per 100 employees shall be provided. Additional lockers shall be provided at such time as demand warrants.
 - 3) A minimum of one shower and two lockers shall be provided.

- 4) Information of transportation alternatives shall be provided to all employees.
- 5) A rideshare vehicle loading area shall be designated in the parking area.
- 6) The design of all parking facilities shall incorporate provisions for access and parking of vanpool vehicles.
- 7) Bus stop improvements shall be required for developments located along arterials where public transit exists or is anticipated to exist within five years.

The exact number of each of the above facilities within each phase of the Master Plan shall be determined by the City during review of grading and building permit applications for each phase. The types and numbers of facilities required of each phase will reflect the content of the Ordinance at the time that a permit application is deemed complete by the Planning Department.

39. If noise levels in on-site outdoor noise sensitive use areas exceed 65 CNEL, the Project Sponsor shall develop measures that will attenuate the noise to acceptable levels for proposed hospital facilities. Mitigation through the design and construction of a noise barrier (wall, berm, or combination wall/berm) is the most common way of alleviating traffic noise impacts.
40. Prior to occupancy of Master Plan facilities, interior noise levels shall be monitored to ensure that on-site interior noise levels are below 45 CNEL. If levels exceed 45 CNEL, mitigation such as window modifications shall be implemented to reduce noise to acceptable levels.
41. Prior to issuance of a grading and or building permit the Project Sponsor shall demonstrate to the City that existing noise levels associated with the on-site exhaust fan are mitigated to acceptable levels. Similarly, the Project Sponsor shall demonstrate to the satisfaction of the Building Department that all noise levels generated by new mechanical equipment associated with the Master Plan are mitigated in accordance with applicable standards.
42. The City of Newport Beach shall send a letter to each emergency vehicle company that delivers patients to Hoag Hospital requesting that, upon entrance to either the Upper or Lower Campus, emergency vehicles turn off their sirens to help minimize noise impacts to adjacent residents. Hoag Hospital will provide the City with a list of all emergency vehicle companies that deliver patients to Hoag Hospital.
43. Prior to issuance of grading and building permits, the Project Sponsor shall ensure that a landscape and irrigation plan is prepared for each building/improvement within the overall Master Plan. this plan shall be prepared by a licensed landscape architect. The landscape plan shall integrate and phase the installation of landscaping with the proposed construction schedule. The plan shall be subject to review by the Parks, Beaches and Recreation Department and approval by the Planning Department and Public Works Department.
44. Prior to issuance of a building permit, the Project Sponsor shall submit plans to, and obtain the approval of plans from, the City Planning Department which

detail the lighting system for all buildings and window systems for buildings on the western side of the Upper Campus. The systems shall be designed and maintained in such a manner as to conceal light sources and to minimize light spillage and glare to the adjacent residential uses. The plans shall be prepared and signed by a licensed electrical engineer, with a letter from the engineer stating that, in his or her opinion, this requirements has been met.

45. Prior to issuance of a building permit, the Project Sponsor shall submit plans to the City Planning Department which illustrate that all mechanical equipment and trash areas will be screened from public streets, alleys and adjoining properties.
46. Prior to issuance of building permits, the Project Sponsor shall submit plans which illustrate that major mechanical equipment will not be located on the rooftop of any structure on the Lower Campus. Rather, such buildings will have clean rooftops. Minor rooftop equipment necessary for operating purposes will comply with all building height criteria, and shall be concealed and screened to blend into the building roof using materials compatible with building materials.
47. Prior to issuance of building or grading permits, the Project Sponsor shall make an irrevocable offer to dedicate and grade the proposed linear and consolidated view park as identified in the project description (Figure 3.2.1.). The Project Sponsor will dedicate land for a 0.28 acre consolidated view park and a 0.52 acre linear view park.
48. Prior to issuance of a building permit for any lower campus structure, the Project Sponsor shall prepare a study of each proposed building project to assure conformance with the EIR view impact analysis and the PCDP and District Regulations, to ensure that the visual impacts identified in the EIR are consistent with actual Master Plan development. This analysis shall be submitted to and approved by the City Planning Department.
49. In the event that hazardous waste is discovered during site preparation or construction, the Project Sponsor shall ensure that the identified hazardous waste and/or hazardous materials are handled and disposed in the manner specified by the State of California Hazardous Substances Control Law (Health and Safety Code Division 20, Chapter 6.5), standards established by the California Department of Health Services, Office of Statewide Health Planning and Development, and according to the requirements of the California Administrative Code, Title 30, Chapter 22.
50. Prior to construction of structures over or near the Wilshire oil well, Project Sponsor shall ensure that the Wilshire oil well, or any abandoned, unrecorded well or pressure relief well, is reabandoned to the current standards. Abandonment plans will be submitted to the State Division of Oil and Gas (DOG) for approval prior to the abandonment procedures. The City's building official shall be notified that the reabandonment was carried out according to DOG procedures.
51. To further determine the source of the gas on the Lower Campus site, prior to issuance of a grading permit on the Lower Campus, Project Sponsor shall collect gas samples from the nearest fire flooding wells and at Newport Beach Townhomes and compare the gas samples to samples taken from the Hoag gas collection wells prior to site grading and construction.

52. A soil gas sampling and monitoring program shall include methane and hydrogen sulfide gas. Samples shall be taken just below the surface, at depth intervals within the removal zone, and at a depth below the depth of actual disturbance. (The individual(s) performing this initial study may be at risk of exposure to significant--and possibly lethal--doses of hydrogen sulfide, and shall be appropriately protected as required.)
53. A site safety plan shall be developed that addresses the risks associated with exposures to methane and hydrogen sulfide. Each individual taking part in the sampling and monitoring program shall receive training on the potential hazards and on proper personal protective equipment. This training shall be at least at the level required by CFR 2910.120.
54. If the analysis of the initial soil gas samples show unacceptable levels of hazardous constituents that have the potential to pose a health risk during construction activities, additional gas collection wells shall be drilled to contain and collect the gas.
55. Continuous monitoring for methane and hydrogen sulfide shall be conducted during the disturbance of the soils and during any construction activities that may result in an increase in the seepage of the gases. The Project Sponsor shall maintain a continuous monitor in the immediate vicinity of the excavation, and a personal monitor, with an alarm, shall be worn by each worker with a potential for exposure.
56. A study of other hazardous constituents that may be present in quantities that pose a health risk to exposed individuals shall be prepared and evaluated prior to the initiation of the project. The constituents studied shall include compounds that are directly related to petroleum, such as benzene and toluene.
57. A study shall be conducted that characterizes the wells, the influent gas, and the effluent of the flare. This study shall characterize the gas over a period of time, to allow for potential fluctuations in concentration and rate.
58. A scrubber system shall be required to reduce the concentration of hydrogen sulfide in the influent gas.
59. In the event additional gases are to be collected from newly constructed collection wells as part of a measure to reduce exposures during construction, an evaluation of the capacity and efficiency of the present flare system shall be conducted prior to connecting any new sources.
60. An automatic re-light system shall be installed on the flare system to reduce the risk of a potential release of high concentration of hydrogen sulfide. The system shall be designed with an alarm system that notifies a remote location which is manner 24 hours per day.
61. A continuous hydrogen sulfide monitor that would give warning of a leak of concentrations in excess of acceptable levels shall be installed in the vicinity of the flare.
62. A study of the concentration of potential hazardous constituents shall be conducted prior to initiation of the project to characterize the wastewater and any risks it may pose to human health prior to development. A stormwater pollution

prevention plan shall be developed to reduce the risk of the transport of hazardous constituents from the site. The Hospital shall apply for coverage under the State Water Resources Control Board's General Permit for Storm Water Discharges Associated with Construction Activity and shall comply with all the provisions of the permit, including, but not limited to, the development of the SWPPP, the development and implementation of Best Management Practices, implementation of erosion control measures, the monitoring program requirements, and post construction monitoring of the system.

63. Soil samples shall be collected from appropriate locations at the site and analyzed for BTEX and priority pollutants; if the soils are found to contain unacceptable levels of hazardous constituents, appropriate mitigation will be required, including a complete characterization of both the vertical and horizontal extent of the contamination, and a remedial action plan shall be completed and approved by the California Regional Water Quality Control Board. The Project Sponsor must demonstrate to the City of Newport Beach compliance with this measure prior to issuance of any permits for Phase I construction activities.
64. Prior to the issuance of grading or building permits, the Project Sponsor shall evaluate all existing vent systems located on the lower campus and submit this data to the City Building and Fire Departments, the State Department of Conservation, Division of Oil and Gas, and the Southern California Air Quality Management District for comment. Additionally, any proposed new passive vents shall be evaluated by these agencies prior to the issuance of grading or building permits. If the vents are emitting detectable levels of hydrogen sulfide and/or toxins, the emitted gases must be treated prior to discharge in a manner acceptable to these agencies.
65. If required by the Southern California Air Quality Air Management District, an air dispersion model shall be required in order to predict the cumulative effects of the emissions. Compliance with any additional requirements of the AQMD shall be verified through a compliance review by the district with written verification received by the Newport Beach Building Department.
66. Before the issuance of building permits, the Project Sponsor shall submit plans to the Building Department & City of Newport Beach, demonstrating that continuous hydrogen sulfide monitoring equipment with alarms to a manner remote location have been provided in building designs. This monitoring equipment must be the best available monitoring system, and the plans must include a preventative maintenance program for the equipment and a calibration plan and schedule.
67. Prior to issuance of a grading permit, the Project Sponsor shall ensure that the inferred fault traversing the site is trenched and monitored for gas prior to site grading and construction. If gas monitoring indicates a potential risk during grading, additional gas collection wells will be drilled to collect and contain the gas.
68. Prior to issuance of building permits, Project Sponsor shall submit plans to the City of Newport Beach ensuring that all structures built on the Lower Campus are designed for protection from gas accumulation and seepage, based on the recommendations of a geotechnical engineer.
69. Project Sponsor shall submit plans to the City of Newport Beach indicating where gas test boring will be drilled under each proposed main building site once

specific building plans are complete. Such testing shall be carried out, and test results submitted to the City's building official, prior to issuance of grading permits. If a major amount of gas is detected, a directionally drilled well will be permanently completed and put into the existing gas collection system.

70. Project Sponsor shall submit plans to the Grading Engineer, City of Newport Beach, indicating that all buildings and parking lots on the Lower Campus will be constructed with passive gas collection systems under the foundations. Such a system typically consists of perforated PVC pipes laid in parallel lengths below the foundation. Riser type vents will be attached to light standards and building high points. Additionally, parking lots on the Lower Campus will contain unpaved planter areas and vertical standpipes located at the end of each length of PVC pipe. The standpipes will serve to vent any collected gas to the atmosphere. A qualified geotechnical firm shall be retained to design such systems.
71. Prior to issuance of building permits, Project Sponsor shall submit plans to the Building Department, City of Newport Beach, demonstrating that all buildings on the Lower Campus are sealed from gas migration. Such sealing may be installed by the use of chlorinated polyethylene sheeting or similar approved system. All materials of construction including the PVC piping and the ground lining must be evaluated for compatibility with the existing environmental conditions of the soils and/or potential gases.
72. Prior to issuance of building permits, Project Sponsor shall submit plans to the City of Newport Beach Building and Fire Departments demonstrating that all buildings on the Lower Campus will be equipped with methane gas sensors. Such sensors will be installed in areas of likely accumulation, such as utility or other seldom used rooms. Sensors can monitor on a continuous basis, and can be tied into fire alarm systems for 24 hour surveillance.
73. To avoid possible accumulation of gas in utility or other seldom used service or storage rooms, Project Sponsor shall submit plans to the City of Newport Beach Building Department prior to issuance of building permits indicating that such rooms are serviced by the build's central air condition system (or an otherwise positive ventilation system that circulates and replaces the air in such rooms on a continuous basis).
74. During construction, Project Sponsor shall ensure that an explosimeter is used to monitor methane levels and percentage range. Additionally, construction contractors shall be required to have a health and safety plan that includes procedures for worker/site safety for methane. If dangerous levels of methane are discovered, construction in the vicinity shall stop, the City of Newport Beach Fire Department shall be notified and appropriate procedures followed in order to contain the methane to acceptable and safe levels.
75. The Project Sponsor may remove the flare system, contain the gas and utilize the gas for Lower Campus facilities. During the containment process and removal of the flare, the Project Sponsor shall ensure that methane levels are monitored throughout the project area to ensure that this transition does not create an upset in methane levels or create odors or risk of explosion.
76. Prior to development on the Lower Campus, the Project Sponsor shall submit to the City of Newport Beach within one year of May, 1992, plans to install a scrubber system to remove hydrogen sulfide from the influent gas to the flare.

The design and construction of the system should be in accordance with the Best Available Control Technologies, and must be in compliance with SCAQMD (District) Regulation XIII, emission offsets and New Source Review.

77. As required by the District, the Project Sponsor shall develop a sampling and analysis protocol for District approval to evaluate the impact the existing and post-scrubber emissions will have on the ambient air quality and on possible receptor populations. The required evaluation shall include analysis for criteria and toxic pollutants, and an evaluation of the potential risks associated with the emission of these pollutants (Rule 1401). Included in the plans for the design of the scrubber system should be a make-up gas source.
78. The plans for the design of the new system will include a calibration and maintenance plan for all equipment, if required by the District as a permit condition, automatic shutdown devices, sensors and charts for continuous recording of monitoring, and flame arresters. The project sponsor shall evaluate enclosing or placing new equipment underground.
79. The Project Sponsor shall submit plans to the City of Newport Beach Building Department that demonstrate that the flare operation will be shut down within four years of August, 1992. The project sponsor must prepare and obtain approval from the SCAQMD to implement a sampling and analysis protocol for evaluation of the existing emissions from the flare after scrubbing (Mitigation Measures 75 & 76), and the effect of flare shutdown on ambient air quality. The methane gas source should be used, if engineering design allows, as a supplemental source of fuel for the Hospital's boilers. If the gas is not usable, the flare shall be relocated.
80. The plans for the design of the new system will include a calibration and maintenance plan for all equipment, and if required by the District as a permit condition, automatic shutdown devices, sensors and charts for continuous recording of monitoring, and flame arresters. The project sponsor shall evaluate enclosing or placing new equipment underground.
81. Prior to installation of the scrubber system, the Project Sponsor shall develop a protocol for a study to evaluate the integrity of the control equipment and piping. The Project Sponsor must obtain agreement from the District on the protocol prior to initiating the study.
82. Before the issuance of building permits, the Project Sponsor shall submit plans to the Building Department, City of Newport Beach, demonstrating compliance with all applicable District Rules, including Rule 402, Public Nuisance, and Rule 403, Fugitive Dust.
83. Before the issuance of building permits, the Project Sponsor must submit plans to the City of Newport Beach demonstrating that its Hazardous Materials and Waste Management Plan and its Infectious Control Manual have been modified to include procedures to minimize the potential impacts of emissions from the handling, storage, hauling and destruction of these materials, and that the Project Sponsor has submitted the modified plans to the City of Newport Beach, Fire Prevention Department, and the Orange County Health Care Agency, as required by the Infections Waste Act and AB2185/2187.

84. Project Sponsor shall continue compliance with its Hazardous Material and Waste Management Program and its Infectious Control Manual for all new activities associated with the proposed Master Plan, as well as comply with all new regulations enacted between now and completion of the proposed Master Plan.
85. To the satisfaction of the City building official, the Project Sponsor shall expand existing hazardous infectious, radiological disposal facilities to add additional storage areas as necessary to accommodate the additional waste to be generated by the expanded facilities.
86. The Project Sponsor shall provide evidence to the Planning Director that measures to ensure implementation and continued compliance with all applicable SCAQMD Air Toxic Rules, specifically Rules 1401, 1403, 1405 and 1415, are being carried out.
87. The Project Sponsor shall submit plans to the City Building Department verifying that all roadways associated with the development of the Master Plan will be paved early in the project, as a part of Phase I Master Plan development construction activities.
88. The Project Sponsor shall submit plans to the City Building Department prior to the issuance of a building permit for each phase of development, verifying that energy efficiency will be achieved by incorporating appropriate technologies and systems into future structures, which may include:
 - High efficiency cooling/absorption units
 - Thermal storage and ceramic cooling towers
 - Cogeneration capabilities

- High efficiency water heaters
- Energy efficient glazing systems
- Appropriate off-hour heating/cooling/lighting controls
- Time clocks and photovoltaic cells for lighting controls
- Efficient insulation systems
- Light colored roof and building exteriors
- PL lighting and fluorescent lighting systems
- Motion detector lighting controls
- Natural interior lighting - skylights, clerestories
- Solar orientation, earth berming and landscaping
89. The Project Sponsor shall demonstrate to the City Building Department that methods and materials which minimize VOC emissions have been employed where practical, available and where value engineering allows it to be feasible.

90. In conjunction with the Critical Care Surgery addition, the Project Sponsor will place the overhead power lines located west of the Upper Campus underground if feasible.
91. Prior to the issuance of grading permits, emergency fire access to the site shall be approved by the City Public Works and Fire Department.
92. Prior to the issuance of building permits, the Project Sponsor shall demonstrate that final design of the project shall provide for the incorporation of water-saving devices for project lavatories and other water-using facilities. The Project Sponsor will also comply with any other City adopted water conservation policies.
93. Prior to issuance of grading permits, a master plan of water and sewer facilities shall be prepared for the site. The Project Sponsor shall verify the adequacy of existing water and sewer facilities and construct any modifications or facilities necessitated by the proposed project development.
94. Prior to the issuance of building permits, the Project Sponsor shall demonstrate, to the satisfaction of the City Fire Department, that all buildings shall be equipped with fire suppression systems.
95. Prior to issuance of building permits, the Project Sponsor shall demonstrate to the City Fire Department that all existing and new access roads surrounding the project site shall be designated as fire lanes, and no parking shall be permitted unless the accessway meets minimum width requirements of the Public Works and Fire Departments. Parallel parking on one side may be permitted if the road is a minimum 32 feet in width.
96. Prior to issuance of a building permit, the Project Sponsor shall demonstrate to the City that the thermal integrity of new buildings is improved with automated time clocks or occupant sensors to reduce the thermal load.
97. Prior to issuance of a building permit, the Project Sponsor shall demonstrate to the City that window glazing, wall insulation, and efficient ventilation methods have been incorporated into building designs.
98. Prior to issuance of a building permit, the Project Sponsor shall demonstrate that building designs incorporate efficient heating units and other appliances, such as water heater, cooking equipment, refrigerators, furnaces and boiler units.
99. Prior to issuance of a building permit, the Project Sponsor shall incorporate into building designs, where feasible, passive solar designs and solar heaters.
100. The Project Sponsor shall ensure that all cut material is disposed of at either an environmentally cleared development site or a certified landfill. Also, all material exported off site shall be disposed of at an environmentally certified development cleared landfill with adequate capacity.
101. In conjunction with the application for a grading permit, the Project Sponsor shall submit a construction phasing and traffic control plan for each phase of development. This plan would identify the estimated number of truck trips and

measures to assist truck trips and truck movement in and out of the local street system (i.e., flagmen, signage, etc.). This plan shall consider scheduling operations affecting traffic during off-peak hours, extending the construction period and reducing the number of pieces of equipment used simultaneously. The plan will be reviewed and approved by the City Traffic Engineer prior to issuance of the grading permit.

102. The Project Sponsor shall ensure that all haul routes for import or export materials shall be approved by the City Traffic Engineer and procedures shall conform with Chapter 15 of the Newport Beach Municipal Code. Such routes shall be included in the above construction traffic plan .
103. The Project Sponsor shall provide advance written notice of temporary traffic disruptions to affected areas, businesses and the public. This notice shall be provided at least two weeks prior to disruptions.
104. The Project Sponsor shall ensure that construction activities requiring more than 16 truck (i.e., multiple axle vehicle) trips per hour, such as excavation and concrete pours, shall be limited between June 1 and September 1 to avoid traffic conflicts with beach and tourist traffic. At all other times, such activities shall be limited to 25 truck (i.e., multiple axle vehicle) trips per hour unless otherwise approved by the City traffic engineer. Haul operations will be monitored by the Public Works Department and additional restrictions may be applied if traffic congestion problems arise.
105. The Project Sponsor shall ensure that all trucks used for hauling material shall be covered to minimize material loss during transit.
106. Project Sponsor shall ensure that all project related grading shall be performed in accordance with the City of Newport Beach Grading Ordinance which contains procedures and requirements relative to dust control, erosion and siltation control, noise, and other grading related activities.
107. Prior to issuance of grading permits, the Project Sponsor shall demonstrate compliance with SCAQMD Rule 403 which will require watering during the morning and evening prior to or after earth moving operations. To further reduce dust generation, grading should not occur when wind speeds exceed 25 miles per hour (MPH), and soil binders on SCAQMD approved chemical stabilizers should be spread on construction sites or unpaved areas. Additional measures to control fugitive dust include street sweeping of roads used by construction vehicles, reduction of speeds on all unpaved roads to 15 miles per hour, suspension of operations during first and second stage smog alerts, and wheel washing before construction vehicles leave the site.
108. Prior to issuance of any grading and building permit, the Project Sponsor shall submit a Trip Reduction Plan for construction crew members. This plan shall identify measures, such as ride-sharing and transit incentives, to reduce vehicle miles traveled by construction crews. The plan shall be reviewed and approved by the City Traffic Engineer.
109. Prior to issuance of a grading permit for each phase of construction, the Project Sponsor shall submit an analysis to the City Building Department that documents the criteria emissions factors for all stationary equipment to be used during that phase of construction. The analysis shall utilize emission factors contained in the

applicable SCAQMD Handbook. The analysis shall also be submitted to the City of Newport Beach Planning Department for review and approval.

110. The Project Sponsor shall ensure that low emission mobile and stationary equipment is utilized during construction, and low sulfur fuel is utilized in stationary equipment, when available. Evidence of this fact shall be provided to the City of Newport Beach prior to issuance of any grading or building permit.
111. The Project Sponsor shall ensure that all internal combustion engines associated with construction activities shall be fitted with properly maintained mufflers and kept in proper tune.
112. The Project Sponsor shall ensure that construction activities are conducted in accordance with Newport Beach Municipal Code, which limits the hours of construction and excavation work to 7:00 a.m. to 6:00 p.m. on weekdays, and 8:00 a.m. to 6:00 p.m. on Saturdays. No person shall, while engaged in construction, remodeling, digging, grading, demolition, painting, plastering or any other related building activity, operate any tool, equipment or machine in a manner that produces loud noise that disturbs, or could disturb, a person of normal sensitivity who works or resides in the vicinity, on any Sunday or any holiday.
113. Subsequent to the approval of this Agreement by the Coastal Commission and the expiration of any statute of limitation for filing a legal challenge to this Agreement, the Master Plan, or the EIR, Hoag shall deposit Two Hundred and Fifty Thousand Dollars (\$250,000) in an account, and at a financial institution, acceptable to City. The account shall be in the name of the City provided, however, Hoag shall have the right to access the funds in the event, but only to the extent that, Hoag constructs or installs the improvements described in (i) or (ii). Funds in the account shall be applied to the following projects (in order of priority upon notice to proceed served by City on Hoag):
 - (i) The construction of a sidewalk and installation of landscaping in the CalTrans right-of-way along the west side of Newport Boulevard southerly of Hospital Road;
 - (ii) The construction of facilities necessary to bring reclaimed water to West Newport and/or the Property;Any funds remaining in the account after completion of the projects described in (i) and (ii) shall be used by the City to fund, in whole or in part, a public improvement in the vicinity of the property.
114. Rooftop mechanical equipment screening on the emergency room expansion shall not extend closer than fifteen feet from the west edge of the structure and no closer than ten feet from the edge of the structure on any other side.
115. Noise from the emergency room expansion rooftop mechanical equipment shall not exceed 55 dBA at the property line.
116. The Project Sponsor shall pay 75% of the cost of planting thirty 24-inch ficus trees (or the equivalent) in the berm between the service road and Villa Balboa southerly of the tennis courts. Planting shall occur on Villa Balboa property.

117. Use of the heliport/helipad shall be limited to emergency medical purposes or the transportation of critically ill patients in immediate need of medical care not available at Hoag Hospital. Helicopters shall, to the extent feasible, arrive at, and depart from the helipad, from the northeast, to mitigate noise impacts on residential units to the west and south.
118. For any building subject to the issuance of the building permit by the Office of the State Architect, Hoag Hospital shall submit to the State Architect a letter from the City of Newport Beach indicating that review of the construction plans has been completed and that the plans are in compliance with all City requirements.
119. Non-vehicular activities, such as the operation of the trash compactor, which occur in the vicinity of the service/access road shall be operated only between the hours of 7:00 a.m. and 7:00 p.m. daily.
120. Within one year from the date of final approval of the Planned Community District Regulations and Development Plan by the California Coastal Commission, as an interim measure, the Project Sponsor shall implement an acoustical and/or landscape screen to provide a visual screen from and reduce noise to adjoining residences from the loading dock area.

The design process for the Critical Care Surgery Addition shall include an architectural and acoustical study to insure the inclusion of optimal acoustical screening of the loading dock area by that addition.

Subsequent to the construction of the Critical Care Surgery Addition, an additional acoustical study shall be conducted to assess the sound attenuation achieved by that addition. If no significant sound attenuation is achieved, the hospital shall submit an architectural and acoustical study assessing the feasibility and sound attenuation implications of enclosing the loading dock area. If enclosure is determined to be physically feasible and effective in reducing noise impacts along the service access road, enclosure shall be required. Any enclosure required pursuant to this requirement may encroach into any required setback upon the review and approval of a Modification as set forth in Chapter 20.81 of the Newport Beach Municipal Code.

121. Prior to issuance of a grading permit for each individual phase of development (i.e., I, II or III) the Project Sponsor shall conduct a CO hot spot analysis for the subject phase of development. This analysis shall utilize the EMFAC7EP emission factor program for the buildout year of the subject phase of development and the CALINE4 CO hot spot model or the model recommended for such analysis at that time. The results of this analysis shall be submitted to the City of Newport Beach Planning Department for review. City staff will verify consistency with the results of the project buildout CO analysis.
122. The methane gas facility and all building on the lower campus shall be subject to all laws and regulations applicable, including, but not limited to, the Federal Regulation contained in 29 CFR 1910, the State Health and Safety Code, Division 20, Chapter 6.905, and the regulations of OSHA and the National Fire Protection Association. Prior to the issuance of building permits on the lower campus, the Project Sponsor shall submit to the Newport Beach Fire Department a compliance review report of all the above referenced laws and regulations.

123. The design of the critical care/surgery addition shall incorporate screening devices for the windows which face the Villa Balboa area for the purpose of providing privacy for residents, so long as these screening devices can be designed to meet the Hospital Building Code requirements regarding the provision of natural light to the facility.