

City of
SANTA CLARITA

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Celebrating 20 Years of Success

July 6, 2007

Mr. David J. Gauny
Smart Growth SCV
P.O. Box 55734
Santa Clarita, CA 91385-0734

Subject: Response to June 19, 2007, letter submitted by Smart Growth SCV
Regarding a Transcript from the June 12, 2007, City Council
meeting for the proposed Henry Mayo Newhall Memorial Hospital
Master Plan Project

Dear Mr. Gauny:

Thank you for your letter dated June 19, 2007, regarding the Henry Mayo Newhall Memorial Hospital (HMNMH) Master Plan project. I would like to take this opportunity to respond to some of the issues raised in your letter.

DUE PROCESS

In your letter, a claim is made that the City has failed to provide due process on the HMNMH Master Plan project. The City does not agree with this assertion. Due process requires notice and an opportunity to be heard. Notice for the Master Plan Project has been published in accordance with law, and letters to residents within 1,000 feet of the project have been sent in connection with the California Environmental Quality Act review process, as well as the public hearings before both the Planning Commission and the City Council.

In your letter, an assertion is made that, "...while the hearing has been noticed as a "hospital expansion", any expanded hospital building is conspicuously absent from the plan." This statement is not accurate. Every version of the HMNMH Master Plan, which has been provided to you, has included Inpatient Building A and a proposed increase in hospital beds within the existing hospital facility. As part of the revised HMNMH Master Plan project before the City Council, and as described in the June 12, 2007, City Council agenda report and staff presentation, the project includes the construction and operation of a five-story (plus basement), 125,363 square-foot, 120-bed inpatient hospital building that would require approvals and permitting from the California Office of Statewide Health Planning and Development (OSHPD).

In terms of opportunities to be heard, the Planning Commission conducted two publicly-noticed site visits and held a public hearing over multiple meetings, at



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which testimony was received from numerous members of the public, and extensive written materials were provided by the public.

The City Council is now engaged in a public hearing process which is expected to extend over multiple City Council meetings. The public hearing was opened on June 12, 2007, and continued to the June 26, 2007, City Council meeting. In the June 26, 2007, City Council agenda report, it is recommended that the public hearing be continued to the August 28, 2007, City Council meeting, immediately following the City Council's summer break. The City feels there has been, and will continue to be, ample opportunity for public input during the course of this project to date and intends that there be ongoing opportunities as the processing progresses.

FORM OF THE CONDITIONAL USE PERMIT

Another issue stated in your letter is an assertion, raised repeatedly in the past, that the public has not seen the proposed Conditional Use Permit (CUP), which is required for building and parking structure heights that extend higher than 35'. As staff has explained to you on several occasions, the CUP document does not exist until such time as the Council directs that approval documents, which include resolutions and conditions of approval, be prepared to grant this conditional use permit for building height. The proposed master plan and the project description indicate which buildings and structures would be considered under this conditional use permit. Should the Council direct staff to prepare documentation for approval of any buildings and structures that exceed 35' in height, Conditional Use Permit findings and appropriate conditions of approval, as provided in Section 17.03.040 of the City's Unified Development Code, would be drafted and considered by the City Council as part of their formal action on the project. Prior to the City Council's adoption of any resolution, which includes the project conditions of approval, the public will have the opportunity to review these documents and make comments to the City Council.

MODIFICATIONS TO THE PROJECT

Your letter references a review of "two very different projects, a Development Agreement appeal hearing, and a second new Development Agreement that has never been seen by the City's Planning Commission." It has been the City's experience with larger projects that such projects evolve during the course of processing the projects through the City's entitlement process. It is not uncommon for adjustments and modifications to be made both before the Planning Commission and City Council in response to comments from the public, the Planning Commissioners and the City Councilmembers. In a similar fashion, the HMNMH Master Plan project has undergone such modification, both before the Planning Commission and now the City Council. The City would anticipate

additional modifications and adjustments as the project progresses through the City Council's review.

It is because of this dynamic that the public hearing on the project remains open until just before final action is taken by the City Council, to ensure that the public has opportunities to address any modifications to the project, whether proposed by members of the City Council, the project applicant, or members of the public.

With respect to the Development Agreement, the denial of which by the Planning Commission has been appealed to the City Council, the Council has the option of upholding the denial, or approving the Development Agreement—with modifications if deemed appropriate by the City Council and agreed to by the project applicant. Staff and the project applicant have engaged in discussions concerning some modifications to the provisions of the Development Agreement, and a copy of the Development Agreement with the to-date modifications has been posted on the City's website. Under the City's municipal code, the City Council has the discretion to refer any such modifications to the Planning Commission for further review. But, it is important to note that whether the development agreement is once again reviewed by the Planning Commission or not, further modifications can still be made by the Council, even after such subsequent review by the Commission.

REQUESTS FOR INFORMATION

In your letter, a statement is made that requests for information during the Planning Commission process were "largely ignored." The City disagrees with this assertion and finds that the vast majority of issues raised by the public during the public hearing process before the Planning Commission, which began on Tuesday, October 18, 2005, and was closed on November 21, 2006, have been addressed in writing. The Draft Final Environmental Impact Report, which is available for public review on the City's website, contains comments and responses to comments from agencies and member of the public. In addition, staff has communicated regularly with members of the public, including representatives of Smart Growth SCV, via phone, e-mail, and in-person meetings to further clarify the process and answer questions regarding the project and the environmental impact analysis. We request that you provide the City with specific questions that you feel have not been adequately addressed through the process.

On November 21, 2006, the Planning Commission closed the public hearing on the HMNMH Master Plan project and directed staff to return with documents to reflect the Planning Commission's determination regarding both their recommendation to the City Council on the master plan, conditional use permit, and environmental impact report, and their final action on the development

agreement. Staff returned to the Planning Commission at their February 6, 2007, meeting with a resolution recommending certification of the Final Environmental Impact Report, a resolution recommending approval of a revised HMNMH Master Plan / Conditional Use Permit, and a resolution of denial for the proposed Development Agreement.

The letter references "misleading advice" in the staff report and resolutions prepared for Planning Commission's consideration at the February 6, 2007, Planning Commission meeting. Your letter does not specify what information was misleading, but it is important to clarify that the documents were reflective of Commission direction. As with all projects that go before the Planning Commission, the Commission retains the authority to reopen the public hearing, to continue the item for further Commission discussion, to request additional information of staff, to request modifications to the text included in the documents, or to take formal action on the matter before them. At the February 6, 2007, Planning Commission meeting, the Commission decided to take formal action to deny the Development Agreement and made recommendations to the City Council. As part of this action, the Commission directed that specific conditions be added to the Draft Conditions of Approval for the project.

SMART GROWTH SCV'S APPEAL

With regard to Smart Growth SCV's appeal of the Planning Commission's recommendation of approval for the master plan/conditional use permit to the City Council, the letter notes that, "a subsequent timely appeal was filed (with fees) but was rejected by the city for reasons unknown." Please refer to the City's letter dated March 7, 2007, to David Gauny, Chairman, Smart Growth SCV, sent via certified mail. In this March 7, 2007, letter, it is explained that,

"As mentioned during the meeting, the Planning Commission's action is advisory on the project with the exception of the denial of the proposed Development Agreement. Since the action is only advisory on the Master Plan/Conditional Use Permit, the filing of an appeal is not necessary since the formal action on the project would occur at the City Council level. Pursuant to our phone conversation of March 2, 2007, I am returning your appeal and your \$2,100 check that was submitted."

If there continues to be confusion among the membership of Smart Growth SCV as to why it was unnecessary to appeal a recommendation of the Planning Commission to the City Council, please contact Planning staff for clarification.

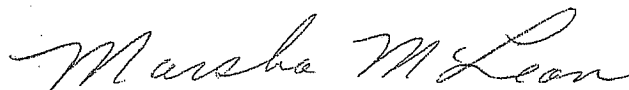
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RESPONSE TO QUESTIONS RAISED BEFORE THE COUNCIL

In your letter, a statement is made that, "the hearings cannot reconvene without the ability to review and act on previous findings and directives." At their June 12, 2007, City Council meeting, the Council took action to continue the public hearing to the June 26, 2007, meeting, to allow for additional public comments and continued dialogue about the project. In preparation for this meeting, staff has prepared a list of questions and issues raised at the June 12th meeting that will likely be augmented at the June 26th meeting. Council gave clear direction to staff at the June 12th meeting that the issues raised by the public were to be noted and responses were to be prepared for Council review. Further, as stated in the City Council agenda report for the June 26, 2007, meeting, staff is following up on a number of other tasks requested by the City Council, including the facilitation of a community meeting, and will return to the August 28, 2007, City Council meeting with responses to the questions and issues raised, including any other items requested by the City Council.

If you have any questions, or would like further information, please contact me, or Paul Brotzman, Director of Community Development, or Lisa Hardy, Planning Manager, at 661-255-4300.

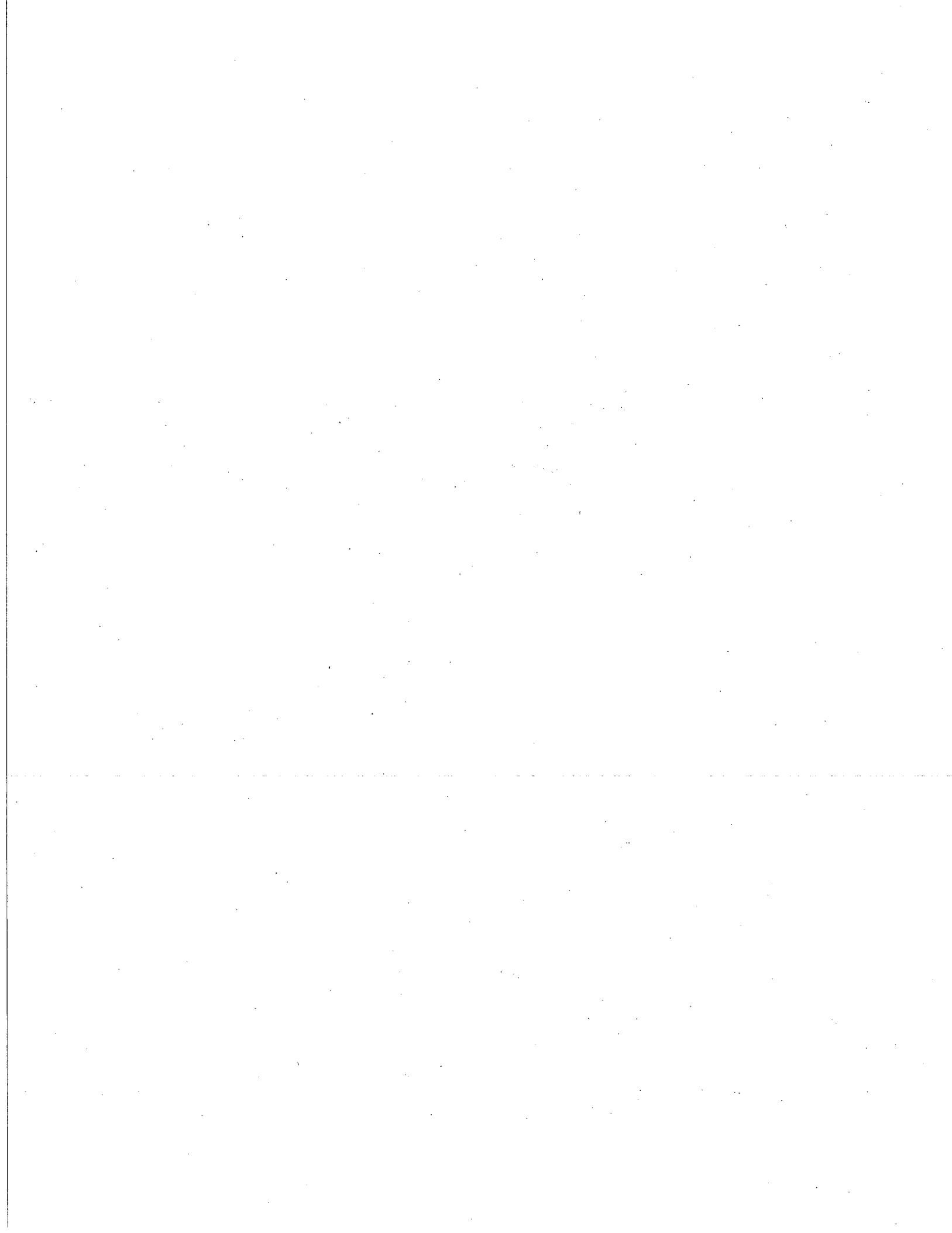
Sincerely,



Marsha McLean, Mayor
Santa Clarita City Council

MM:KRP:LMH:lep
s/cd/current/!2004/04-325 (Henry Mayo)June 22 Letter to David Gauny.doc

cc: City Councilmembers
Ken Pulskamp, City Manager
Ken Striplin, Assistant City Manager
Carl Newton, City Attorney
Paul Brotzman, Director of Community Development
Lisa M. Hardy, AICP, Planning Manager
Fred Follstad, AICP, Senior Planner





Smart Growth SCV

Paul

June 19, 2007

RECEIVED

JUN 20 2007

Mayor McLean and Members of the City Council
City of Santa Clarita
23920 Valencia Blvd, Suite 300
Santa Clarita, CA 91355

COMMUNITY DEVELOPMENT
CITY OF SANTA CLARITA

**SUBJECT: TRANSCRIPT FROM G&L/HENRY MAYO EXPANSION MASTER CASE 04-325
(MASTER PLAN/CONDITIONAL USE PERMIT 04-022) COUNCIL HEARING OF JUNE 12, 2007**

Mayor McLean and Honorable Members of the City Council:

At the conclusion of the June 12, 2007 City Council hearing, city staff was directed to address a substantial list of concerns and questions posed by both the public and the City Council. The following pages include a transcript of these key portions of the meeting to ensure that each directive is fully addressed. Because similar requests from the planning commission were largely ignored throughout the hearing process, your citizens felt the value of providing this to the city outweighed the cost.

The majority of public testimony deals with failure of due process. The council is hearing an application for a Conditional Use Permit (CUP) that does not exist on a project that is not clearly defined by city staff or the developer. The hearing included review of two very different projects, a Development Agreement appeal hearing, and a second new Development Agreement that has never been seen by the city's planning commission. Most significant is that, while the hearing has been noticed as a "hospital expansion", any expanded hospital building is conspicuously absent from the plan.

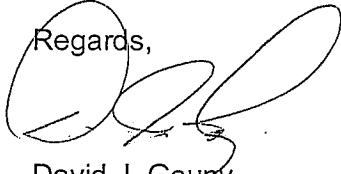
Aside from being unprecedented in the city's history, this method of public review creates much confusion about the plan's specifics and allows many requests to go unanswered. This was the case when the planning commission reviewed statements in the February 6, 2007 Staff Report which included statements that were not at all consistent with actual plan documents. But because 125 pages of plan documents were delivered on Friday of Super Bowl Sunday weekend and the vote was held the following Tuesday, the misleading advice from staff was not realized by the commission. The public's requests for a continuance were ignored and a subsequent timely appeal was filed (with fees) but was rejected by the city for reasons unknown.

Common sense and good faith dictate that hearings cannot reconvene without the ability to review and act on previous findings and directives. Directives from council—including one requiring a formal response from staff to each issue raised by the public—must be fully addressed. An adequate period for review must also be provided for council and public review before these hearings reconvene.

While due process requires time and perhaps more oversight than desired by developers, the reasons for it are well-documented and aggressively protected by law. For this reason, the

public is confident that the staff will meet its self-imposed timeline and deliver all of the requested documents, changes, and architectural renderings requested by the council and the public prior to any future hearings of this project.

Regards,



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cc: Ken Pulskamp, City Manager
Ken Striplin, Assistant City Manager
Paul Brotzman, Director of Community Development
Lisa Hardy, Planning Manager
Carl Newton, City Attorney