

**P99-031** Modifications to Foundation Health Clinic/Office

- REQUEST:**
- A. Environmental Determination: Prior Negative Declaration
  - B. **Creekside Oaks Planned Unit Development Schematic Plan Amendment** to redesignate an existing 25,333 square foot building and a future 20,250 square foot building from *medical office building* to *general office building* use;
  - C. **Special Permit Modification** of a previously approved development project (P94-023) to convert a 25,333 square foot *medical office building* to *general office building* use in the OB-PUD zone.

**LOCATION:** 2554 Millcreek Drive; west of Truxel Rd., immediately north of Merryhill School, and south of Park Plaza Shopping Center  
South Natomas Community Plan Area  
Natomas Unified School District  
Council District 1  
APN: 274-0410-022

**APPLICANT:**

Todd Peek (916) 947-3155  
755 Haines Court  
Auburn, CA 95603

**OWNER:**

ARCMK LLC  
7540 Shelden Dr.  
Granite Bay, CA

**MAP PLANS BY:**

Lee Buckingham (Architect) (530) 878-2469  
755 Haines Court  
Auburn, CA 95603

**APPLICATION FILED:** 03/19/99

**STAFF CONTACT:**

Scot Mende, 264-5894

SUMMARY/RECOMMENDATION:

In April 1994, the Planning Commission approved a special permit for a medical office / clinic. The building was constructed and operated for about 2 years. Thereafter, the building was vacated. The applicant is requesting a special permit modification and PUD Schematic Plan Amendment to allow an existing building which was previously used as a Foundation Health Medical Office/Clinic to be used as a general office building for "Innovative Solutions, Inc." – a software development company based in Sacramento.

**Staff recommends approval of the project.** This recommendation is based on the fact that the proposed amendment is minor in nature, has no negative impacts, and is supported by the community.

PROJECT INFORMATION:

General Plan Designation:	Regional Commercial & Office
Community Plan Designation:	Office/Office Park
Existing Land Use of Site:	Vacant Building; previously Foundation Health Clinic
Existing Zoning of Site:	OB(PUD)

## Surrounding Land Use and Zoning:

North: Shopping Center; SC(PUD) [Park Plaza] and City Parksite (undeveloped)  
 South: Merry Hill School; R-3(PUD); Creekside Oaks Office Park (OB-PUD)  
 East: Discovery Village Shopping Center (SC-PUD); Delta Ridge Apartments (R-3-R)  
 West: River Terrace Apartments (R-2B-PUD)

Property Dimensions:	Irregular
Property Area:	4.35 ± gross acres
Allowed Office SqFt:	45,440 sqft
Existing Office Sqft:	25,333 sqft
Intensity of Development:	10,446 sqft/acre; F.A.R. = 0.24
Building materials:	Stucco, dimensional composition shingle roof
Topography:	Flat
Street Improvements:	Existing
Utilities:	Existing

BACKGROUND INFORMATION

In November 1985, the City acquired a 6 acre parcel (which included the subject site) and designated the parcel as Parks/Open Space. At that time, the site was proposed to house a community center and library for South Natomas. In about 1992, the community sentiment changed to envision a larger community center site, and the City began to pursue purchase of the 25 acre parcel located further north on Truxel Road. (In fact, this 25 acre site was finally purchased in late 1998.)

In November 1993, the Foundation Health Corporation submitted a preliminary review application for a parcel located across Mill Creek Drive (which now houses the Merry Hill School). The preliminary review noted that the site was, at that time, designated for senior housing, which would be a conflict with the proposal for medical office. In response, Foundation Health Corporation initiated negotiations with the City of Sacramento for the purchase of 4+ acres on the northwest corner of Truxel Road and Mill Creek Drive (the subject parcel).

Foundation Health then submitted an application (P94-023) for a special permit and setback variances. The City initiated application P94-024 for the rezone and plan amendment entitlements. On April 28, 1994 (processed as files P94-023, P94-024), the Planning Commission ratified a Negative Declaration and adopted a Mitigation Monitoring Plan, approved a special permit for a 25,190 sqft office building, and approved variances to reduce the landscape and building setbacks adjacent to Mill Creek Drive and Truxel Road. On May 17, 1994, the City Council approved a rezone and plan amendments, and approved a schematic plan amendment to allow medical office use for two buildings (the second building would require a subsequent special permit). The City then sold the 4+ acres to Foundation Health Corporation.

Foundation Health Corporation constructed the first building and occupied it for about 2 years. The medical services delivery system dramatically changed again, and Foundation Health Corporation closed the clinic / office. The building has remained vacant for 2-3 years.

STAFF EVALUATION:

On the date of April 28, 1994, the Planning Commission approved a special permit for a 25,190 square foot medical office building. The City Council on the date of May 17, 1994, approved Resolution CC94-293 which designated the subject site for "45,440 square feet of medical office building use on 4.1± net acres". (See attached exhibit 4.) The attached Notice of Decision, if approved, would broaden the allowed office uses to allow medical or general office use.

One of the key considerations in negotiating the sale to Foundation Health and approving the entitlements was to locate medical facilities in South Natomas. Over the course of the past 10-15 years, staff and the community have attempted to bring medical uses to the area. In 1985, the Community Hospital (Mercy) had proposed to locate a medical use at the Northwest corner of Northgate Blvd. and San Juan Road. Mercy subsequently withdrew its application. As various



shopping center applications were proposed for the Northgate/San Juan site, medical use provisions were attached to the zoning. No medical use materialized at that site. It was, therefore, a big deal when Foundation Health proposed medical uses at Truxel Road/ Millcreek Drive. In about 1996, Foundation Health closed most of their clinics and offered the building sites for sale. Most of the offers on the properties have been for non-medical office uses (one exception being the Campus Commons area which has a concentration of medical uses). Now that the clinic closed, the policy question is whether to continue to require that the site be used for medical office. Staff believes that it is unlikely that a medical use will be enticed to the site, and that it is preferable to re-open the building as general office than to maintain for a sustained period a vacant building.

No exterior changes to the building are proposed. The applicant intends to provide some minor upgrading to the landscaping.

#### PROJECT REVIEW PROCESS:

##### A. Environmental Determination

On April 28, 1994, the Planning Commission ratified a Negative Declaration for the Foundation Health Corporation (P94-023). Section 15162 of the CEQA Guidelines provides that an additional Negative Declaration need not be prepared unless subsequent changes are proposed in the project, substantial changes occur with respect to the project circumstances, or new information of substantial importance to the project becomes known or available. The proposed project is a minor change in allowable land uses (essentially broadening the types of office uses). General office uses generate fewer traffic trips than medical office. Therefore, a new Negative Declaration is not required.

The previous mitigation measures addressed flooding concerns (which have since been resolved through a levee stabilization and raising program) and archaeological resources (potential disturbance during construction). Neither of these mitigation measures are relevant to the proposed change in occupancy.

- B. Public/Neighborhood/Business Association Comments: The proposed project application packet was sent to the Natomas Community Association (NCA). The NCA informed staff by telephone on April 12<sup>th</sup> that the Innovative Solutions company would be an asset to the community, and noted that the company is already a Natomas business (currently located on North Market). The NCA was disheartened that medical uses are not locating in South Natomas, but did not feel that it would be appropriate to limit the site to medical use. The surrounding land owners within a 500 foot radius of the project site were also notified of the project proposal. No other comments were received.



- C. Summary of Agency Comments: The proposal was routed to several City Departments and other agencies. This proposal does not alter the conditions previously set forth in P94-023. No comments were received.

PROJECT APPROVAL PROCESS: The Planning Commission has the authority to approve or deny the PUD Schematic Plan Amendment and special permit modification. The Planning Commission action may be appealed to the City Council. The appeal must occur within 10 days of the Planning Commission action.

RECOMMENDATION: Staff recommends the Planning Commission approve the Notice of Decision and Findings of Fact which approves the special permit modification and minor amendments to the PUD Schematic Plan.

Report Prepared By,



Scot Mende  
Senior Planner

Attachments

- 1 Notice of Decision/Findings of Fact
- 1A Site Plan
- 2 Vicinity Map
- 3 Land Use & Zoning Map
- 4 PUD Schematic Plan as approved by City Council May 17, 1994



## SACRAMENTO CITY PLANNING DIVISION

1231 I St., Sacramento, CA 98514  
(916) 264-5381

Application taken by/date: 3/19/99-wj

**Project Location:** 2554 Millcreek Drive; west of Truxel Rd., immediately north of Merryhill School, and south of Park Plaza Shopping Center

**Assessor's Parcel No.:** 274-0410-022

**Owner:** ARCMK LLC

**Address:** 7540 Sheldon Dr., Granite Bay, CA 95746

**Applicant:** Todd Peek

**Address:** 755 Haines Court, Auburn CA 95603

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### ACTIONS TAKEN

On April 22, 1999, the City Planning Commission took the following action:

A-C. Adopted Notice of Decision and Findings of Fact for Approval.

Sent to Applicant: 5-4-99  
Date

By: Grace L. Garcia  
Grace L. Garcia, Secretary

### EXPIRATION

**TENTATIVE MAP:** Failure to record a final map within two years of the date of approval or conditional approval of a tentative map shall terminate all proceedings.

**SPECIAL PERMIT:** A use for which a Special Permit is granted must be established within two years after such permit is issued. If such use is not so established, the Special Permit shall be deemed to have expired.

**VARIANCE:** Any variance involving an action which requires a building permit shall expire at the end of two years unless a building permit is obtained within the variance term.

**NOTE:** Violation of any of the foregoing conditions will constitute grounds for revocation of this permit. Building permits are required in the event any building construction is planned. The County Assessor is notified of actions taken on rezonings, special permits and variance.

Original to Applicant  
Copies to File & Permit Book

P99-031



**ATTACHMENT 1**

**NOTICE OF DECISION AND FINDINGS OF FACT FOR A SPECIAL PERMIT MODIFICATION AND AMENDMENTS TO THE CREEKSIDE OAKS PUD SCHEMATIC PLAN FOR PROPERTY LOCATED AT 2554 MILL CREEK DRIVE SOUTH OF WEST EL CAMINO AND WEST OF TRUXEL ROAD, SACRAMENTO, CALIFORNIA IN THE OFFICE BUILDING (OB-PUD) ZONE. (P99-031) (APN: 274-0410-022 )**

At the meeting of April 22, 1999, the City Planning Commission heard and considered evidence in the above entitled matter. Based on verbal and documentary evidence at said hearing, the Planning Commission took the following actions for the location listed above:

These actions were made based upon the following findings of fact and subject to the following conditions:

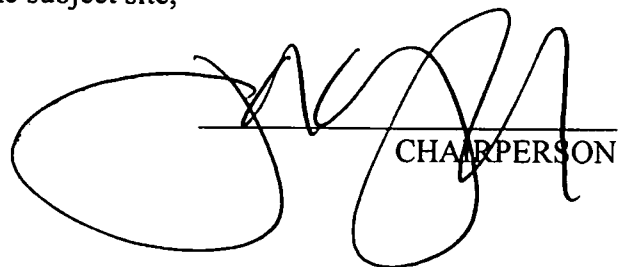
**FINDINGS OF FACT**

- B. **Planned Unit Development Schematic Plan Amendment:** The City Planning Commission approved the amendments to the Creekside Oaks PUD Schematic Plan, based upon the following findings:
1. The proposed development is consistent with the General Plan and any applicable community or specific plan;
  2. Facilities, including utilities, access roads, sanitation and drainage are adequate and consistent with City standards, and the proposed improvements are properly related to existing and proposed streets highways;
  3. The property involved is of adequate size and shape to accommodate the proposed use and required yard, building coverage, setback, parking area and other requirements of this ordinance; and
  4. Approval of the Guidelines amendments will not be contrary to the public health or safety or injurious to the property or improvements of adjacent properties.
- C. **Special Permit Modification:** The City Planning Commission approved the modifications to the special permit (P94-023), based upon the following findings:
1. Environmental Review has been prepared in compliance with CEQA, State and City Guidelines, and the City Planning Commission has reviewed and considered the information contained herein.

- 2. Granting the Special Permit Modification would not be detrimental to the public welfare nor result in the creation of a public nuisance in that:
  - a. The proposed project would not increase traffic or other environmental impacts relative to the previous office use;
  - b) The proposed project would permit occupancy of an office building which has been vacant for several years.

CONDITIONS OF APPROVAL

- C. The Special Permit Modification to allow general office use is approved without conditions. The applicant is advised that building permits for tenant improvements will be required.
- D. The Creekside Oaks PUD Schematic Plan Amendment is approved to allow medical office buildings or general office buildings on the subject site,



CHAIRPERSON

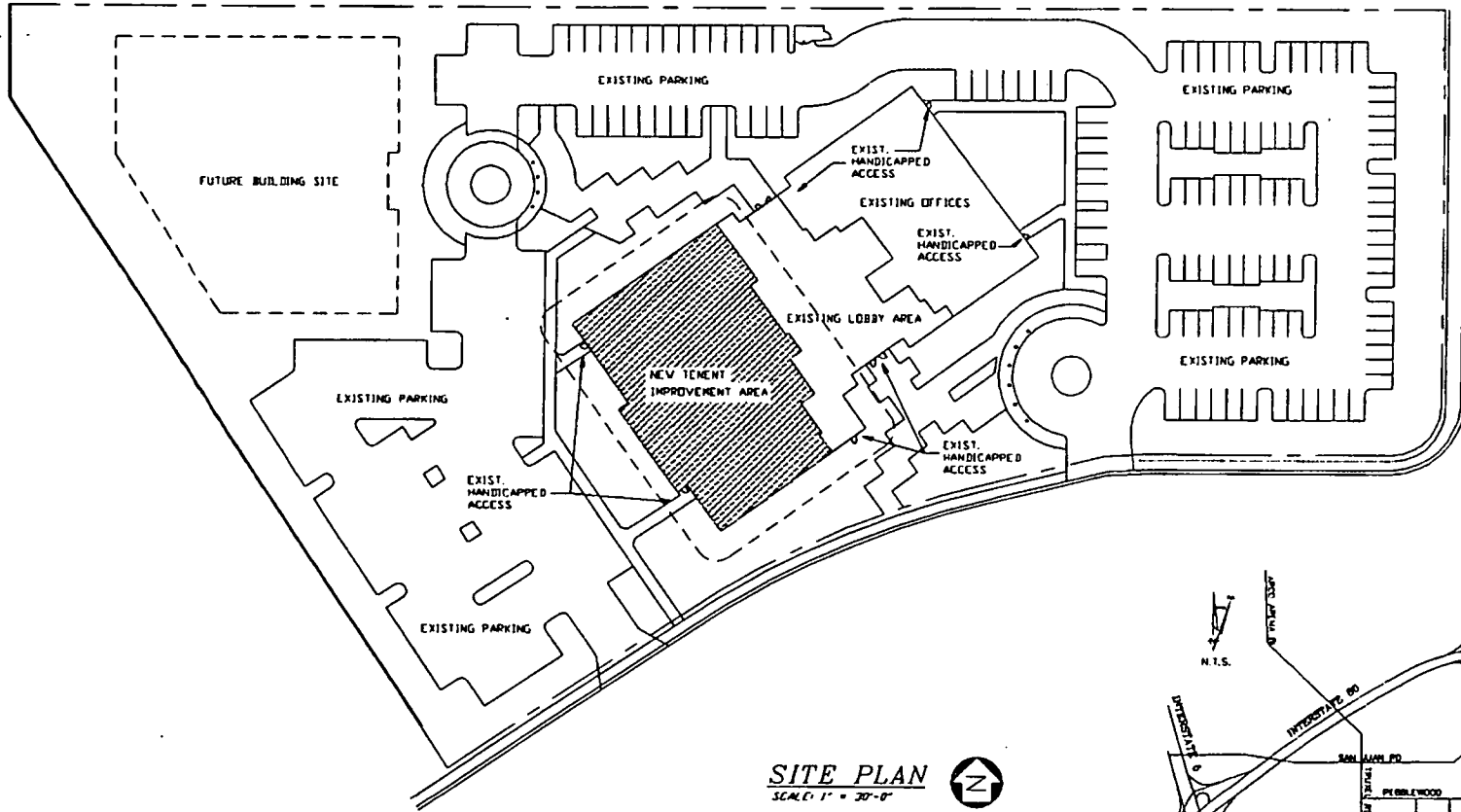
ATTEST:

Gayle Strubba  
SECRETARY TO THE PLANNING COMMISSION

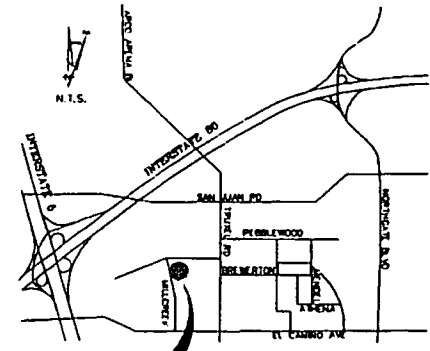
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DATE

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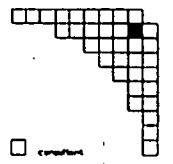
Exhibit 1-A Site Plan



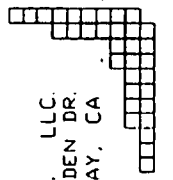
**SITE PLAN**  
SCALE: 1" = 30'-0"



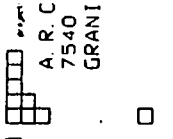
**VICINITY MAP**



j. lee buckingham  
**architect**  
755 haines court  
oakburn california 95603  
(916) 878-2465 C 9427



A. R. C. M. K. LLC.  
7540 SHELLEN DR.  
GRANITE BAY, CA

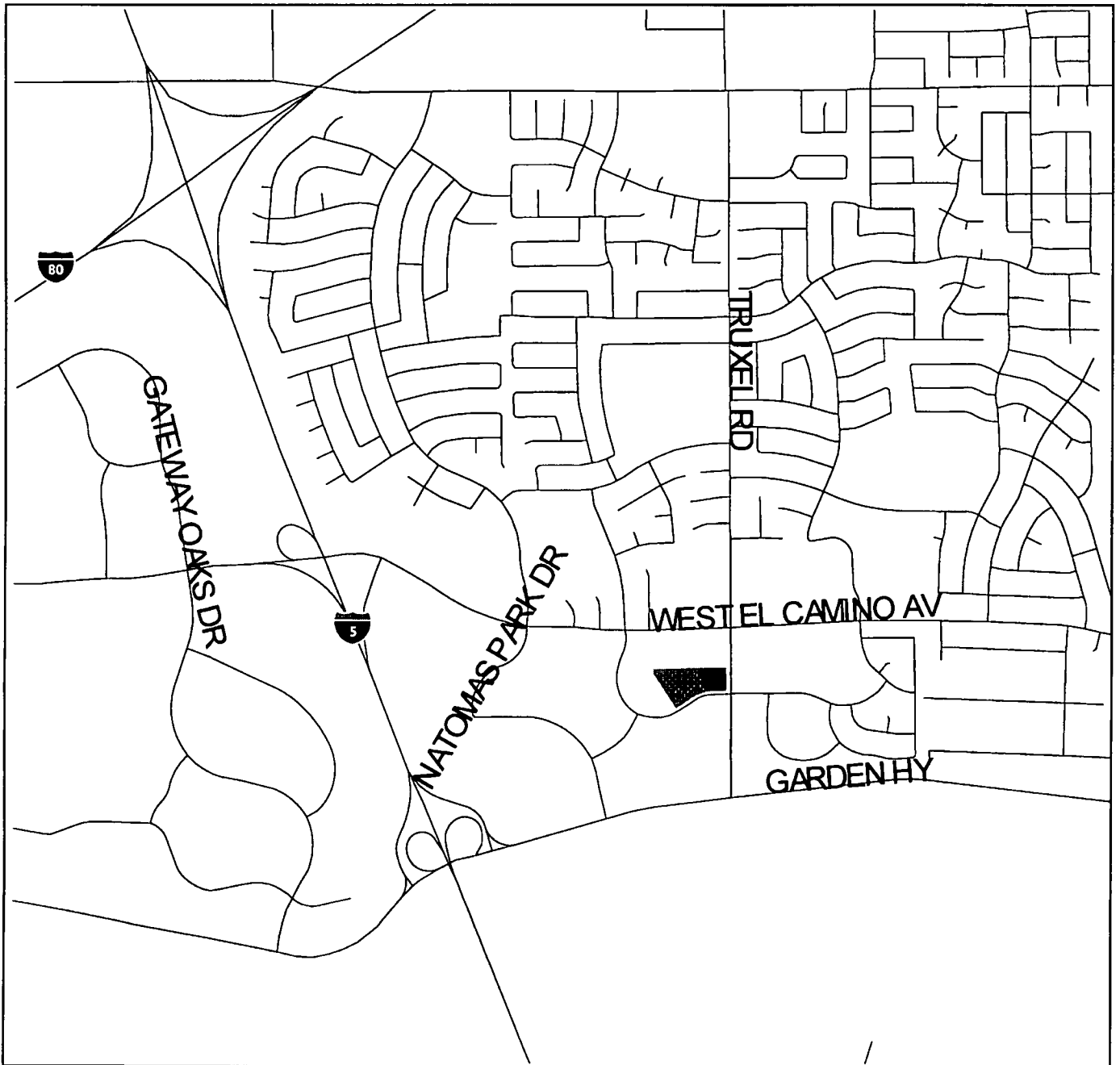


Driving report  
**SITE PLAN**  
Date: 2-2-04  
By: TAP  
Checked by: [Signature]  
Drawing by: [Signature]

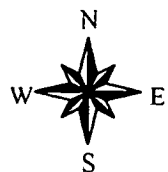
**A2**



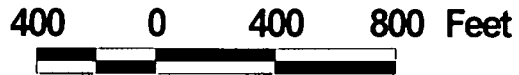
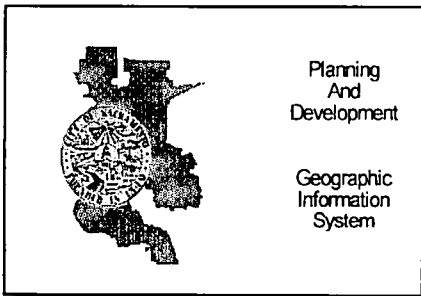
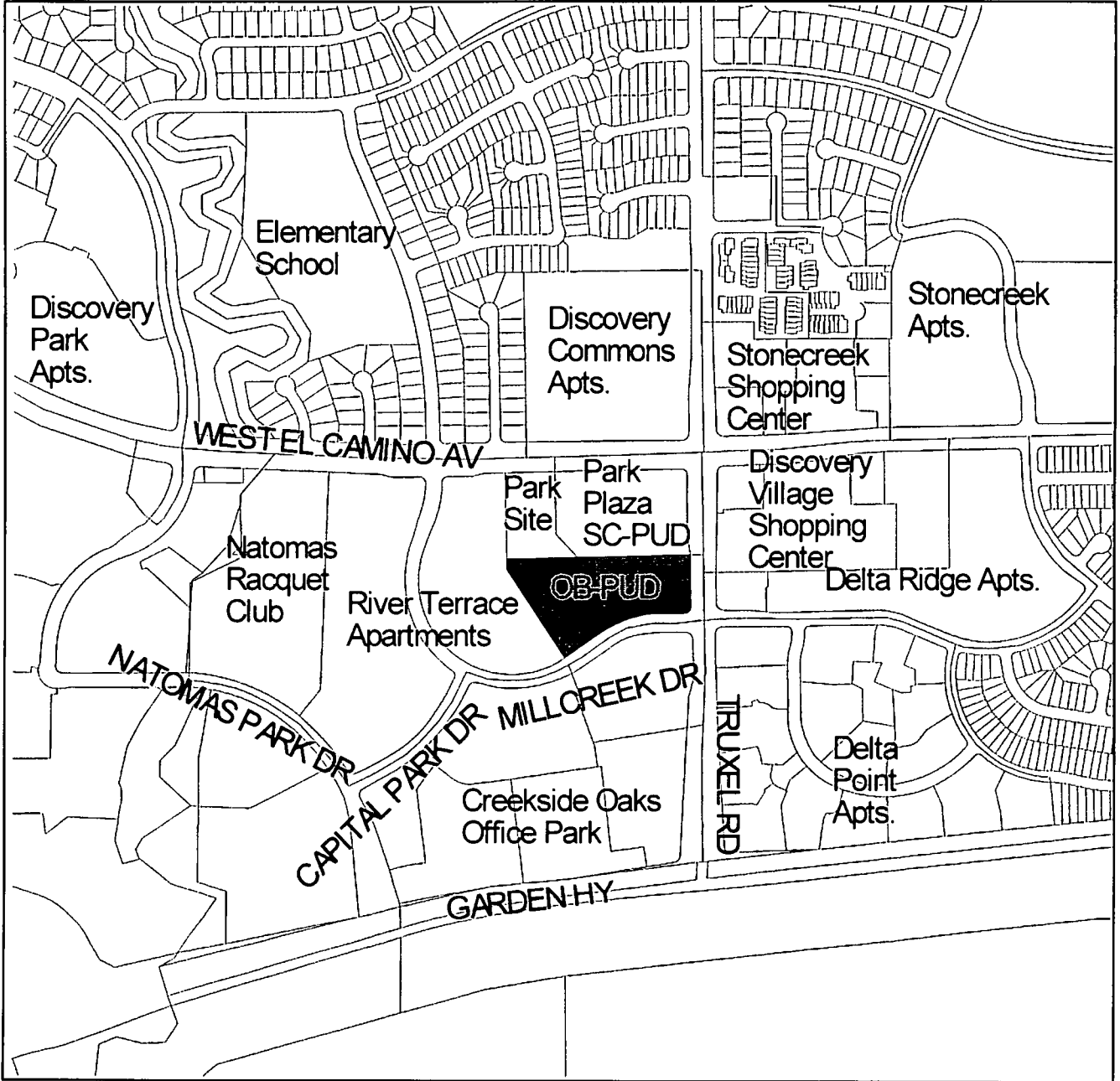
# 2554 MILLCREEK DRIVE



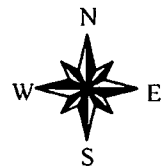
VICINITY MAP  
P99-031



2554 MILLCREEK DRIVE



land use & zoning  
P99-031



Amended 5/17/94  
**RESOLUTION NO. 945203**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF MAY 17 1994

CREEKSIDE OAKS PUD SCHEMATIC PLAN AMENDMENT TO DESIGNATE A PORTION OF PARCEL "A" (274-0410-004) IN THE CREEKSIDE OAKS PLANNED UNIT DEVELOPMENT FROM 6.1± NET ACRES OF PARK/LIBRARY USE TO 45,440 SQUARE FEET OF MEDICAL OFFICE BUILDING USE ON 4.1± NET ACRES AND 2± NET ACRES OF OPEN SPACE USE (P94-023 & P94-024) (APN: 274-0410-004)

**WHEREAS**, The City Council conducted a public hearing on May 17, 1994 concerning the above Schematic Plan Amendment and based upon documentary and oral evidence submitted at the public hearing, the Council hereby finds:

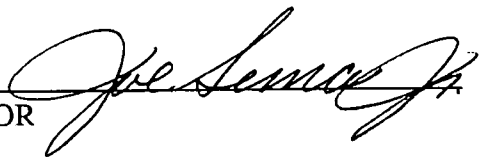
1. The proposed plan amendment is compatible with surrounding uses.
2. The subject site is suitable for medical office use.
3. The proposed project is consistent with the policies of the City's General Plan.
4. The City Council on March 15, 1994 by Resolution CC94-152 agreed to the sole negotiation for the sale of City property, with the expectation that the funds from the sale and from the FBA fee would be used for park acquisition and park improvements in South Natomas.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Sacramento that the area described on the attached Exhibit is hereby designated on the City's General Plan for Community/Neighborhood Commercial and Office use, and designated on the South Natomas Community Plan for Office, Office Park uses subject to the following conditions:


FOR CITY CLERK USE ONLY

945203  
RESOLUTION NO.: \_\_\_\_\_  
DATE ADOPTED: MAY 17 1994

1. No access shall be allowed from the proposed project site to the Park Plaza shopping center or to West El Camino Avenue.
2. The project proponent shall be responsible for funding the portion of the pedestrian walkways that are located on the property owned by Foundation Health Inc.. The paving material utilized for the walkways shall be the same materials utilized for the pedestrian walkways that are located on the site utilized by the Park Plaza Shopping center and the City owned future park site.
3. The project proponent shall pay a sum of \$3.76 per gross square foot of building. This fee shall be paid at the time of building permit and shall be based on the number of square feet to be constructed under the building permit. Based upon the Schematic Plan for the two-phase project, the fees would be approximately \$94,714 for Phase I (25,190 sq. ft.) and \$76,140 for Phase II (20,250 sq. ft.). The # \$3.76 per gross square foot of building is based on the South Natomas Facilities Benefit Assessment (FBA) District, and shall be paid in-lieu of the FBA for park/community center projects in South Natomas.
4. The project proponent shall work with the City of Sacramento Planning and Development Department Director and the Department of Public Works Transportation Division in order to arrive at a vehicular and pedestrian interface of the proposed medical office building, the existing Park Plaza shopping center and the future park.
5. The project proponent shall be responsible for funding the portion of the pedestrian walkways that are located on the property owned by Foundation Health Inc.. The paving material utilized for the walkways shall be the same materials utilized for the pedestrian walkways that are located on the site utilized by the Park Plaza shopping center and the City owned future park site.

  
MAYOR

ATTEST:

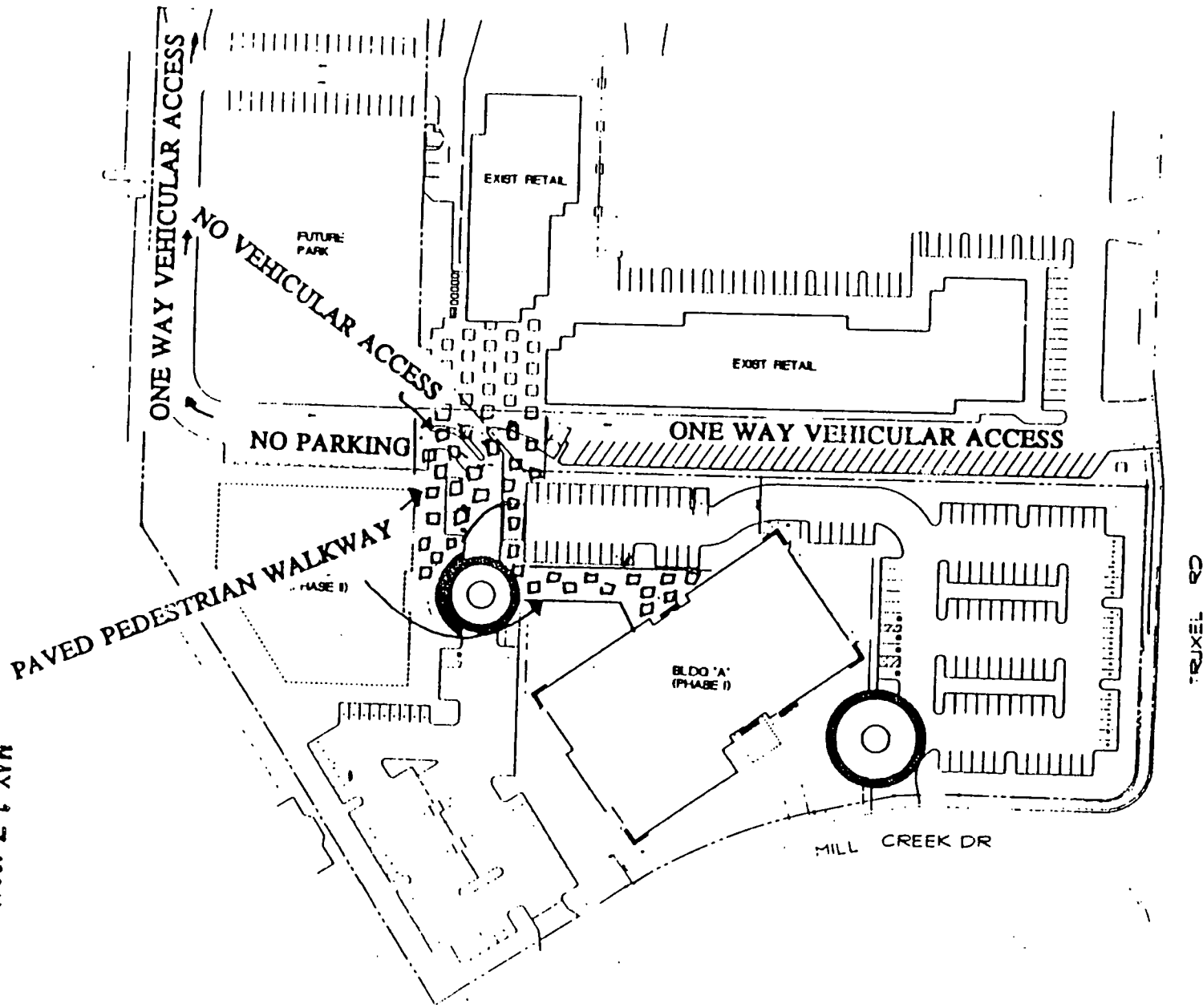
  
CITY CLERK  
P94-023 & P94-024

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: 045203  
DATE ADOPTED: MAY 17 1994

SCHEMATIC PLAN PORTION OF CREEKSIDE OAKS PUD



RESOL : ON 04/22/93

MAY 17 1994