## DEPARTMENT OF TRANSPORTATION

111 GRAND AVENUE P.O. BOX 23660 OAKLAND, CA 94623-0660 PHONE (510) 286-5906 FAX (510) 286-6301 TTY 711 www.dot.ca.gov



Flex your power! Be energy efficient!

April 25, 2012

Mr. Geoffrey Nelson Director, Enterprise Development Department California Pacific Medical Center P.O. Box 7999 San Francisco, CA 94120

Dear Mr. Nelson:

In follow up to recent coordination meetings, this letter reflects the status of our review and conceptual approval of the proposed Van Ness Avenue Pedestrian Tunnel improvements in the State right of way associated with the California Pacific Medical Center (CPMC) Cathedral Hill Campus project in San Francisco.

CPMC submitted for Caltrans' review a draft Project Study Report/Project Report/Environmental Document as an initial submittal dated December 16, 2010, and as a revised submittal March 7, 2011, scheduled to be approved in summer 2012. CPMC also submitted a long term lease agreement request and draft design plans for review.

Caltrans and CPMC entered into a Highway Improvement Agreement, executed on January 26, 2011 for the tunnel portion of the project. CPMC has met its obligations to date under the Agreement by, among other things, providing the required deposits necessary for Caltrans reviews. The Agreement provides the mechanisms for processing and for review and issuance of an Encroachment Permit and for a long term lease and maintenance agreement of the tunnel. The tunnel improvements will be owned and maintained by CPMC within the State right of way under the terms of that agreement. The Highway Improvement Agreement further provides that all project development and construction costs will be funded by CPMC.

Final review and consideration of CPMC's proposed tunnel project is subject to review of the impacts to the State highway system and the environmental review of the tunnel project under CEQA in the Environmental Impact Report (EIR) for the California Pacific Medical Center Long Range Development Plan, which is being prepared by or on behalf of the City and County of San Francisco, as lead agency, and other public review and hearing processes, and subject to all related applicable approvals.

Mr. Geoffrey Nelson April 25, 2012 Page 2

Prior to issuance of an Encroachment Permit to construct the tunnel, final technical design and engineering reviews must be completed by Caltrans staff. A long term lease and maintenance agreement will be completed and subject to approval by the California Transportation Commission.

We look forward to continuing our work with CPMC on this important project. If you have questions or need additional information, please contact Patrick Pang, Office Chief of Advance Planning, at (510) 286-5566, or Mike Condie, District Permits Engineer, at (510) 286-4435.

Sincerely,

DAN McELHINNEY, P.E.

Chief Deputy District Director Caltrans District 4 – Bay Area

c: Ken Rich – San Francisco Office of Economic and Workforce Development Eric Cordoba – Cordoba Consulting Incorporated