LOCATION MAP



BACKGROUND

On February 3, 2016, the City Council approved Ordinance 2186, amending the zoning for the project site from R3 (C) to R3. The former Conditional (C) overlay zone allowed a senior care facility (Vila Monte) located at 17090 Peak Avenue, but limited it to a maximum of 28 beds. In the zoning amendment approval, the property owner voluntarily offered to record a deed restriction against the property limiting use of the subject property to a State licensed Residential Care Facility for the Elderly requiring the owner to obtain a Conditional Use Permit for the operation the facility. The City accepted the voluntary offer and subsequently a deed restriction was recorded by the property owner.

Site Description

The project site is located on a 1.94 acre parcel on the northeast corner of West Dunne Avenue and Peak Avenue. The General Plan land use designation is Residential Attached Medium and the zoning district is R3 (see background section above). There is currently an approximately 5,770 square foot building with 14 units/rooms on the

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existing site that currently operates as Residential Care Facility (Vila Monte), licensed through the State of California Department of Social Services.

Surrounding Uses

The subject parcel is irregularly shaped and surrounds another parcel on three sides that contains a single family detached dwelling. To the north of the subject parcel is another Residential Care Facility (Pacific Hills Manor) that is approved to have up to 99 beds under a Conditional (C) overlay zoning ordinance. To the west are single family homes in an R1-7,000 zoning district. To the east is the planned future extension of Santa Teresa Boulevard/Hale Avenue. To the south is the Morgan Hill Masonic Center and Evergreen Park office building.

Project Description

A Conditional Use Permit is requested to expand the operations at the existing Residential Care Facility to allow for 84-beds (47 units). The proposed plans would add two buildings of approximately 3,920 square feet (single story) and 19,611 square feet (two-story) to the existing 5,770 square foot single story building. Parking lot, driveways for internal circulation, stormwater retention, landscaping, and other on-site improvements would be completed with the project. The City recently revised the definition of Residential Care Facility, which will require the facility to operate with a license from the State of California Department of Social Services (Residential Care Facility for the Elderly (RCFE)). The facility proposes to have the following services for the residents: meal service (full service kitchen facility); on-site laundry; cleaning services; plan, arrange or provide transportation; planned activities; on-site nursing services; on-site medical services; and other personal services as needed. Pursuant to the applicant's letter describing the proposed operations, the facility will be permitted to accommodate up to four terminally ill residents who receive hospice services from a hospice agency. The facility will be staffed 24 hours a day, however, a manager unit is not being proposed at this time.

ANALYSIS

The proposed Conditional Use Permit to operate a Residential Care Facility was analyzed for consistency with the: 1) General Plan; 2) Zoning Code; and 3) Conditional Use Permit Findings.

1. <u>General Plan</u>

The General Plan land use designation is Residential Attached Medium. This designation allows attached housing types including townhomes, garden apartments, and stacked flats and accommodates 16 to 24 units per net acre, most of which are townhomes, apartments, or condominiums. The proposed use is generally consistent with this land use designation and as implemented through the zoning designation (see below) in that the facility will operate as a residential facility much like and similar to individuals living in an apartment building. The number of persons residing in the facility

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would be similar to the number of residents if the parcel was developed as residential attached units (minimum 16 units/acre x 1.94 acres = 31 units x 3 persons/household = 93 persons).

Goal HC-2 A built environment and community services that serve the special needs of youth and seniors, allowing residents to age in place.

Policy HC-2.3 New Development. Encourage developers of new residential developments to work with the City to explore ways to offer increased youth and senior services.

Both General Plan Goal HC-2 and Policy HC-2.3 focus on the community's need to provide increased services for seniors. The proposed expansion of the existing Residential Care Facility will provide needed care services to seniors and other persons in need and allow Morgan Hill citizens to remain in the community should they ever need the services of a residential care provider.

2. Zoning Code

On February 3, 2016, the City Council approved Ordinance No. 2186, a Zoning Amendment changing the zoning from R3 (C) to R3. With the Zoning Amendment approval, the property owner voluntarily offered to record a deed restriction against the property limiting use of the subject property to a State licensed Residential Care Facility for the Elderly. The City accepted the voluntary offer and subsequently a deed restriction was recorded. The ordinance also required the owner to obtain a Conditional Use Permit for the operation of the Residential Care Facility.

The proposed development of the site will conform to the development standards of the R3 zoning district and operation of the facility will need to comply with the Conditional Use Permit Conditions of Approval and other performance standards found in the Morgan Hill zoning code.

3. Conditional Use Permit Findings

Pursuant to the requirements in Section 18.54.050 of the Zoning Ordinance, the following findings are required:

A. The site is suitable and adequate for the proposed use.

The approval of the requested Conditional Use Permit would allow for further development of an already urbanized (infill) parcel, and would support the development of a type of housing and services that are needed within the community. The site already has an existing Residential Care Facility and the proposed expansion of the facility would be similar in size and in number of persons potentially residing on the parcel if it were to be developed as residential

attached units, which is the primary permitted use of the R3 zoning district. The site has some design constraints due to the topography changes on the site (i.e. on-site hill), however, will be mitigated through the design of the project. For these reasons, staff concludes that the site is suitable and adequate for the proposed use.

B. The proposed use and design would not have a substantial adverse effect on traffic circulation and on the planned capacity of the street system.

The proposed facility will utilize the existing driveway from Peak Avenue as the main entrance into the facility. The driveway will provide access to a proposed parking area located closest to the street and Building 3 and will serve as the main parking area. The driveway will be improved from its existing condition and continue up the hill to serve a smaller parking area adjacent to Building 1 and 2. The driveway will continue down the hill to another parking area and provide access to West Dunne Avenue. However, at the request of the City, barriers will be installed to prevent through circulation from the driveway entrance at Peak Avenue to West Dunne Avenue except for emergency vehicles. This will limit both vehicles entering from and exiting onto West Dunne Avenue where the driveway location is just west of the future West Dunne Avenue and Hale Avenue intersection. The parking area located adjacent to West Dunne Avenue will be limited to service deliveries and parking for those individuals servicing the facility.

According to the Institute of Transportation Engineers Trip Generation manual (7th Edition), assisted living facilities generate an average of 0.14 trips per bed during the AM peak hour between 7 and 9AM and generate an average of 0.22 trips per bed for the PM peak hour between 4 and 6PM. Using these averages, the proposed 84 bed facility will produce approximately 12 trips during the AM peak hour and 18.5 trips during the PM peak hour which is significantly less than the 100 net new peak hour trip threshold that is the criteria used in the Planning Commission's Guidelines for Preparation of Transportation Impact Reports. Therefore, the proposed use and design would not have a substantial adverse effect on traffic circulation and on the planned capacity of the street system.

C. The proposed use at the location will not adversely affect the peace, health, safety, morals, or welfare of persons residing or working in the surrounding area, or impair the utility or value of property of other persons located in vicinity of site, or be detrimental to public health, safety or general welfare.

As conditioned, the project will need to maintain a Residential Care Facility for the Elderly license from the State of California Department of Social Services. The State will provide oversight to ensure the facility meets the minimum requirements to operate the facility in compliance with State regulations. A Planning Commission August 23, 2016 Page 5 of 6

> search was completed (August 10, 2016) of the Community Care Licensing Division facilities and found one Facility Evaluation Report completed on January 5, 2016 (attached). The report identifies deficiencies that existed at the facility, however, the licensing search did not reveal any existing formal citations or complaints. If approved, the City's Police Department recommends conditioning the project to provide a safety and security plan to ensure minimum City requirements are being met by the facility. The project will be required to meet Fire Code and Building Code requirements, which will ensure visitors and workers are protected. In general, the facility's operations will be typical of residential uses and services which is in and around the surrounding zoning districts. Therefore, the project's operations would not adversely affect the peace, health, safety, morals or welfare of persons residing or working in surrounding areas. The project would not impair the utility or value of the property of other persons located in the vicinity of the site and will not be detrimental to the health, safety or general welfare.

D. The design of the project is compatible with existing and proposed development within the district and its surroundings.

The proposed plans add two buildings of approximately 3,920 square feet (single story, Building 2) and 19,611 square feet (two-story, Building 3) to the existing 5,770 single story building (Building 1). Parking lot areas, driveways for internal circulation, stormwater retention areas, landscaping, and other on-site improvements will also be completed with the project. The site is defined by a steep grade change between the lowest area adjacent to Peak Avenue and West Dunne Avenue and the highest area located furthest from the street frontages. Buildings 1 and 2 will be located at the top of the hill while Building 3 traverse the grade change and allow for at grade entry on the first floor as well as the second floor. The second floor of Building 3 will be at the same grade as the first floor of Buildings 1 and 2. Outdoor courtyard and seating areas will be available for resident's use. The project will need to comply with development standards such as setbacks and maximum height and staff will review detailed site, architectural, and landscaping plans as part of the Design Review Permit. Staff has already requested building setbacks that exceed minimum standard to the existing single family residence that the subject property surrounds to mitigate any potential impacts. Also, the project's laundry and kitchen facilities will be located away from the common property line shared with the single family residence to reduce any impacts of those uses (see Sheet A1.1 of the plan set).

As designed and as further reviewed through the Design Permit approval process, staff considers the design of the project compatible with existing and proposed development within the district and its surroundings.

CEQA (California Environmental Quality Act)

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The project is categorically exempt from CEQA under Section 15332 of the State CEQA Guidelines – Infill Development Projects, Class 32 because it meets all the criteria conditions described in that exemption.

Community Engagement

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project and newspaper legal noticing) for the minimum 10-day period and a sign has been posted at the proposed business location per the Planning Division requirements.

Conclusion

As discussed in previous sections of this report, the Planning Commission is required to make findings of consistency for approval of the requested Conditional Use Permit for the operation of an 84-bed Residential Care Facility. The proposed Conditional Use Permit is found to be consistent with the criteria specified in Section 18.54.050 of the Municipal Code. Approval is recommended subject to the findings and conditions contained in the attached resolution.

LINKS/ATTACHMENTS:

<u>Attachments</u>

- 1. Conditional Use Permit Resolution
- 2. Statement of Proposed Operations
- 3. Letter of Justification by Applicant
- 4. Facility Evaluation Report, Community Care Licensing Division
- 5. Project Plans
- 6. Location Map