



City of Morgan Hill

Legislation Details (With Text)

File #: 16-595 **Version:** 1 **Name:**

Type: Staff Report **Status:** Second Reading

File created: 8/21/2016 **In control:** City Council

On agenda: 12/14/2016 **Final action:** 12/14/2016

Title: ZONING AMENDMENT (ZA2016-0007: CITY OF MORGAN HILL-MEDICAL OFFICE AND CLINICS): AN AMENDMENT TO TITLE 18, DIVISION 1, ZONING CODE TO AMEND CHAPTER 18.04 "DEFINITIONS", AMEND CHAPTER 18.20 CN NEIGHBORHOOD COMMERCIAL DISTRICT, SECTION 18.20.020 PERMITTED USES, AMEND CHAPTER 18.22 CG GENERAL COMMERCIAL DISTRICT, SECTION 18.22.020 PERMITTED USES OF THE MORGAN HILL MUNICIPAL CODE

Sponsors:

Indexes:

Code sections:

Attachments: 1. Attachment1_ZA2016-07_CC_DraftOrdinance, 2. Attachment 2 ExhibitA_Definitions_PermittedUses, 3. Attachment3_PC_completestaffreport, 4. Attachment4_MedicalOffice_PC_Presentation_Nov8_2016

Date	Ver.	Action By	Action	Result
12/14/2016	1	City Council	waived reading of the Ordinance	Pass
12/14/2016	1	City Council	introduced	Pass

CITY COUNCIL STAFF REPORT

MEETING DATE: DECEMBER 14, 2016

PREPARED BY: John Lang, Economic Development Coordinator/Community Development
 APPROVED BY: City Manager

ZONING AMENDMENT (ZA2016-0007: CITY OF MORGAN HILL-MEDICAL OFFICE AND CLINICS): AN AMENDMENT TO TITLE 18, DIVISION 1, ZONING CODE TO AMEND CHAPTER 18.04 "DEFINITIONS", AMEND CHAPTER 18.20 CN NEIGHBORHOOD COMMERCIAL DISTRICT, SECTION 18.20.020 PERMITTED USES, AMEND CHAPTER 18.22 CG GENERAL COMMERCIAL DISTRICT, SECTION 18.22.020 PERMITTED USES OF THE MORGAN HILL MUNICIPAL CODE

1. Open and close public hearing;
2. Waive the first and second reading of Zoning Amendment Ordinance; and
3. Introduce Zoning Amendment Ordinance.

COUNCIL PRIORITIES SUPPORTED:

Ongoing Priorities

Preserving and cultivating public trust

NARRATIVE:

Community engagement from work on updating the General Plan and developing the Economic Blueprint demonstrate a need for additional medical services in Morgan Hill. The Community's input on desired medical services is further supported by a report that City Council received from health care planning consultants Health System Advisors (HSA) which outlined capacity for medical services in Morgan Hill. The 2014 report primarily analyzed the feasibility of a hospital in Morgan Hill and concluded that Morgan Hill's population and demographics did not lend support for a standalone hospital. However, the report did highlight a strong need for other medical and healthcare services and that Morgan Hill had enough capacity to support an ambulatory destination center including:

- Urgent care
- Imaging center
- Physician offices
- Rotating specialty clinics
- Potentially ambulatory surgery

Despite a strong desire to have additional medical services in Morgan Hill, there are only a few zoning districts that allow as a permitted use, medical services. In an effort to provide more flexibility and support the recent growing interest in locating medical services in Morgan Hill, a zoning text amendment is being proposed to allow medical services in additional zoning districts.

Currently in Morgan Hill's Title 18 Zoning code, medical facilities (medical/dental offices, health clinic, mental health providers) are permitted uses within the following districts:

- 18.24 Central Commercial/Residential District (CC-R)
- 18.25 Light Commercial/Residential District (CC-L)
- 18.34 Administrative Office (AO)

To attract and support additional medical services providers to Morgan Hill and be consistent with neighboring jurisdictions, a proposed zoning text amendment would make medical offices and clinics a permitted use in the following zoning districts:

- 18.20 Neighborhood Commercial (CN)
- 18.22 General Commercial (CG)

In addition to proposing to make medical offices and clinics permitted uses within the Neighborhood and General Commercial districts, an amendment to zoning "definitions" is being proposed. The reason for amending the zoning definitions is to create consistency within the Zoning code and update the current definitions of medical offices and clinics to be consistent with today's medical practices.

Within the Zoning code Chapter 18.04 "Definitions" there are no enumerated definitions of either Hospital or medical facilities.

The only numerated definition in Chapter 18.04 for medical use is medical/dental clinic and office, code Chapter 18.04.292.6

18.04.292.6 - Medical/dental clinic and office

"Medical/dental clinic and office" means a use including those service facilities and offices where

consultation, diagnosis, therapeutic, preventive, or corrective personal treatment services are provided by doctors, dentists, medical and dental laboratories, and similar practitioners of medical and healing arts for humans licensed for such practice by the state of California.

Recommendations for consideration

It is recommended that the Medical/Dental clinics and offices Chapter 18.04.292.6 be re-titled and revised to read as follows:

Medical Offices and Clinics. Facilities where medical, mental, dental, or other personal health services are provided on an outpatient basis using specialized equipment. Includes offices for physicians, dentists, and optometrists, diagnostic centers, blood banks and plasma centers, and emergency medical clinics offered exclusively on an out-patient basis. May include educational aspects such as medical instruction and/or training as well as house a laboratory, radiology/imaging, pharmacy, rehabilitation and other similar services as accessory uses. Excludes "hospitals."

Additionally, to have better consistency and alignment to the new definition for Medical Office and Clinics a new definition in Chapter 18.04 is recommended to be added to define "Hospitals".

Hospitals. Hospitals and similar facilities are engaged primarily in providing inpatient diagnostic services, and extensive medical treatment, including surgical and other hospital services. These establishments have an organized medical staff, inpatient beds, and equipment and facilities to provide complete health care. May include on-site accessory clinics and laboratories, accessory retail uses and emergency heliports.

Finally, to help facilitate new investments into Morgan Hill for imaging, urgent care and specialized medical practices are being proposed to be added as permitted uses to both Chapters 18.20 (Neighborhood Commercial) and 18.22 (General Commercial).

November 8, 2016 Planning Commission Meeting

The Planning Commission considered the proposed zoning text amendment at its November 8, 2016 meeting. The Commission discussion primarily focused on specific wording used in the proposed definition of Medical Office and Clinics. After a lengthy discussion, the Planning Commission voted 4 -1-0-2 (Commissioners Spring and McKay were absent) to accept the language as proposed in the staff memorandum.

COMMUNITY ENGAGEMENT:

Notice of this hearing and Planning Commission hearing was published in the newspaper. Public noticing included both the changes relative to the Medical Offices and Clinics and Hospitals definitions as well as making Medical Offices and Clinics a permitted use in both the Neighborhood and General Commercial zoning districts.

ALTERNATIVE ACTIONS:

An alternative to adopting the ordinance that adds Medical Offices and Clinics to permitted uses in Neighborhood and General Commercial Zoning districts is to wait for the major zoning code update to be brought forward in Spring 2017 to add clarifying definitions to create consistency within the Zoning code.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On October 1, 2014, City Council received a report from Healthcare System Advisors on an assessment of Medical services within Morgan Hill.

On November 8, 2016 Planning Commission voted 4-1-0-2 (Commissioners Spring and McKay were absent) to accept the Zoning Amendment as proposed related to Medical Offices and Clinics.

FISCAL AND RESOURCE IMPACT:

Fiscal: Preparation of this report, the draft ordinance, and presentation to City Council and Planning Commission is within the current fiscal year budget.

CEQA (California Environmental Quality Act):

This Ordinance is exempted from environmental review under Section 15061(b)(3) of the State CEQA Guidelines. The proposed text amendments are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. One proposed amendment is a minor change that would amend the definition for medical/dental office to medical office and clinics and allow such uses within certain districts which currently allow for professional offices. A second proposed amendment is the addition of a definition for Hospitals that will create consistency among medical related definitions. There will be no changes to any zoning district that permit a Hospital use. The amendments will not result in any direct impact upon the physical environment. Any development that occurs in the future will be subject to development standards of the zone district and will undergo an independent analysis pursuant to the requirements of CEQA.

LINKS/ATTACHMENTS:

1. Attachment 1. City Council draft Ordinance
2. Attachment 2. Exhibit A. to Ordinance
3. Attachment 3. Planning Commission complete Staff Report
4. Attachment 4. Planning Commission presentation on ZA2016-0007: Medical Offices and Clinics