

# Agenda Report

January 25, 2016

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: TEXT AMENDMENT TO THE SOUTH FAIR OAKS SPECIFIC PLAN AND ZONING CODE SECTION 17.35.030 TO ALLOW HOSPITAL USES WITH A CONDITIONAL USE PERMIT

# **RECOMMENDATION:**

It is recommended that the City Council:

- Adopt the Mitigated Negative Declaration (Attachment A) under Section 15070 of the California Environmental Quality Act Guidelines as the Initial Study prepared for the proposed amendment determined that there will not be a significant effect on the environment with the implementation of a mitigation measure related to paleontological resources;
- 2. Adopt the Findings of Consistency (Attachment B);
- 3. Adopt a resolution approving the text amendment to the South Fair Oaks Specific Plan to allow hospital uses with a conditional use permit; and
- Direct the City Attorney to prepare an ordinance within 60 days amending Title 17 of the Pasadena Municipal Code (Zoning Code), Section 17.35.030 (South Fair Oaks Specific Plan).

# PLANNING COMMISSION RECOMMENDATION:

On December 9, 2015, the Planning Commission voted unanimously to recommend approval of the proposed text amendment to the South Fair Oaks Specific Plan ("Specific Plan") and the Zoning Code Section 17.35.030 to allow hospital uses with a Conditional Use Permit within the Specific Plan area.

# **EXECUTIVE SUMMARY:**

On December 15, 2014, a Predevelopment Plan Review application was presented to the City Council for a new rehabilitation hospital at 55 Fillmore Street, which is located within an area of the Specific Plan where hospital uses are not currently permitted. In response to the Predevelopment Plan Review application for a new rehabilitation hospital, Councilmember Madison requested that the City Council consider initiating an amendment to the Specific Plan to allow a hospital use within the Specific Plan.

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Subsequently on March 2, 2015, the City Council initiated an amendment to the Specific Plan by directing staff to prepare an amendment to the permitted uses within the Specific Plan, to allow "Medical Services – Hospital" with an approval of a Conditional Use Permit.

As directed, staff conducted analysis on the appropriateness of allowing hospital uses within the Specific Plan area and found that the proposed amendment is consistent with the existing land uses, the intent of the Specific Plan, and the General Plan. Therefore, it is recommended that the Specific Plan be amended to allow hospital uses with a Conditional Use Permit within the entire Specific Plan area.

# BACKGROUND:

# South Fair Oaks Specific Plan

The South Fair Oaks Specific Plan area generally follows the Fair Oaks Avenue and Raymond Avenue corridors from California Boulevard to the north to the Pasadena city limits to the south. It should be noted that the recently adopted General Plan Update identified a future expansion of the Specific Plan boundary to include a majority of the areas currently zoned as Central District Subdistrict 6 and a small portion of Central District Subdistrict 1. This boundary expansion (similar to other specific plans) will be a part of the comprehensive update to all of the specific plans and zoning code, which will formally bring the Specific Plan into consistency with the newly adopted General Plan. Maps depicting the existing and the future Specific Plan boundary are included as Attachments C and D to this report, respectively.

Hospital uses are prohibited within the Specific Plan boundary, with an exception to areas zoned Public/Semi-Public (PS) where a hospital use is permitted with an approval of a Conditional Use Permit or a Master Development Plan. Huntington Memorial Hospital is located on a property that is zoned PS.

The "Medical Services – Hospital (land use)" is defined by the Zoning Code as a facility providing medical, surgical, psychiatric, or emergency medical services to sick or injured persons, primarily on an inpatient basis. This use includes incidental facilities for outpatient treatment, as well as training, research, and administrative services for patients and employees.

# **Initiation of the Amendment**

Pursuant to Pasadena Municipal Code Section 17.68.080, the City Council or the Planning Commission has the authority to initiate amendments to a specific plan.

On December 15, 2014, a Predevelopment Plan Review (PPR File #2014-00008) was presented to the City Council for a new four-story, 68,958 square foot rehabilitation hospital over one level of subterranean parking at 55 Fillmore Street. At this meeting, the City Council commented that a hospital use might be compatible with the existing uses in the area, but that the proposed location might not be suitable due to its proximity to the Fillmore Gold Line Station and the General Plan designation of High Density Mixed-Use.

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Subsequent to the review of the PPR, Councilmember Madison requested that the City Council consider initiating an amendment to the Specific Plan to allow hospital uses within the Specific Plan. On March 2, 2015, the City Council initiated the amendment to the Specific Plan by directing staff to prepare an amendment to the permitted uses within the Specific Plan, to allow "Medical Services – Hospital" with an approval of a Conditional Use Permit. While there was some discussion about the appropriate location of hospitals within the Specific Plan and whether a specific plan amendment should be initiated prior to adoption of the 2015 General Plan Update, the ultimate direction from the City Council was to study the entire Specific Plan area for an amendment to permit hospital uses with a Conditional Use Permit.

As directed by the City Council, this amendment represents a focused revision to allow hospital uses with a Conditional Use Permit. An update to the Specific Plan to analyze an array of appropriate issues will be considered as part of the City's effort to update all eight specific plans and the Zoning Code to bring them into consistency with the newly adopted General Plan.

# **Public Comments**

A community meeting was held on August 27, 2015 to receive comments on the proposed amendment to the Specific Plan. Fifteen people were in attendance. Attendees generally expressed support for allowing hospital uses with a Conditional Use Permit within the Specific Plan, and stated that a hospital use would be an appropriate use for the Specific Plan. One attendee expressed a concern about a hospital use being allowed along Raymond Avenue, based on the desire to see residential mixed-uses along Raymond Avenue. Other comments received included the importance of properly addressing traffic that may be generated by a new hospital and concerns about the current Floor Area Ratio (FAR) limit not being appropriate for a hospital use. In addition, at the December 9, 2015 Planning Commission meeting, two speakers spoke in favor of the proposed amendment to the Specific Plan to allow hospital uses with an approval of a Conditional Use Permit.

# ANALYSIS:

Staff conducted analysis on the appropriateness of amending the allowable uses within the Specific Plan to allow hospital uses subject to approval of a Conditional Use Permit. In doing so, staff considered consistency with the existing land uses, the Specific Plan, the General Plan Land Use Goals and Policies, and the General Plan Land Use Designations, along with the comments received during the community meeting held on August 27, 2015.

# **Existing Land Uses**

There are various medical-related uses existing within the Specific Plan boundary, as well as areas surrounding the Specific Plan area, as shown on Attachment E. Huntington Memorial Hospital encompasses northwest portion of the Specific Plan. Huntington Memorial Hospital has been operating since 1902, with the first Master Plan developed in 1982. In addition, there are numerous medical offices that currently operate within the Specific Plan area since a medical office (outpatient) land use is a

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permitted use. These medical offices are generally located along South Fair Oaks Avenue, near Huntington Memorial Hospital. Based on the array of medical-related uses already existing in the area today, a hospital use would be a compatible land use within the Specific Plan.

# South Fair Oaks Specific Plan

The South Fair Oaks Specific Plan was adopted in 1998 with a vision of establishing a district with an energetic mix of community serving retail, medical facilities and other service-oriented businesses that would support and attract biomedical and technology-based companies. This was supportive of the General Plan goals that were established for South Fair Oaks at that time. Over the years, the Specific Plan area has developed into an area with a focus on medical land uses, and currently consists of a variety of medical offices (outpatient), medical diagnostic centers, and the Huntington Memorial Hospital. Since a hospital use is a medical facility that is consistent with the intended land use for the Specific Plan, the proposed amendment is compatible with the overall intent of the Specific Plan.

# **General Plan Goals and Policies**

The General Plan consists of various goals and policies that cumulatively represent the community vision for the future. The proposed amendment to the Specific Plan to allow a hospital use with an approval of a Conditional Use Permit meets the General Plan goals and policies related to job choices, transit-related land uses, transit villages, business expansion and growth, and medical supporting uses. A hospital use is a medical facility that often functions as an employment hub for an area, and supports the Specific Plan area's ability to function as a jobs-focused transit-oriented district due to the proximity to Fillmore Gold Line station. As detailed in Attachment B, the amendment would be consistent with the General Plan Goals and Policies, including, but not limited to, Goal 37 - South Fair Oaks Avenue (concentration of mixed-use development adjoining the Fillmore Metro Gold Line station; expanded housing opportunities for seniors, students, or employees of the major institutions; and redevelopment of underutilized areas for new businesses and job-generating uses leveraged by the medical and creative office uses) and Policy 37.2 - Medical Supporting Uses (capitalize on the Huntington Memorial Hospital through opportunities for new and expanded medical facilities, medically-oriented businesses and increased housing so that hospital employees are able to live close to jobs).

# **General Plan Land Use Designation**

The recently adopted General Plan Land Use Diagram designates most areas within the Specific Plan as mixed-use land uses. The corridor along South Raymond Avenue (except for Art Center South Campus) and properties located along the east side of South Fair Oaks Avenue (north of East Glenarm Street) are proposed to be designated as High Mixed-Use, while properties west of South Fair Oaks Avenue (except Huntington Memorial Hospital property) are proposed to be designated as either Medium or Low Mixed-Use (refer to Attachment F).

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The intent of Mixed-Use designation is to allow the intermixing of housing with nonresidential uses, where the development pattern of each mixed-use project differs based on the permitted density and development requirements that would be established as part of the specific plan updates. In addition, the Mixed-Use land use designation which facilitates development adjacent to transit is an important strategy to facilitate fewer vehicle trips, less energy consumption, pollution, noise and greenhouse gas emissions and an increase in walking, bicycling, and transit use.

Given the close proximity to the Fillmore Gold Line Station, a hospital use within the Specific Plan area may function as a jobs-oriented transit-oriented development as hospitals often function as an employment hub. A typical transit-oriented development may consist of high density housing developments near a transit stop to promote reduced vehicle trips and increased transit use for the occupants of the housing developments. However, a place of employment (such as a hospital) near a transit stop also functions as a destination transit-oriented development as it also promotes reduced vehicle trips by offering an alternative method of travel to access jobs.

The General Plan does not prescribe specific development standards, but allows for mixed-use developments to be horizontally distributed within a district, block or parcel, and permits the development of singular uses (either commercial or residential) on a parcel designated as Mixed-Use. The General Plan was intended to possess this flexibility so that further refinements to zoning could be made to address unique neighborhood conditions. Accordingly, the Specific Plan Updates will further define the broad land use designations identified in the Land Use Diagram and create tailored development standards for various Mixed Use land use designations throughout the city. At this time, however, the detailed vision for High Mixed Use and Medium Mixed Use in different parts of the City has not yet been established. Therefore, allowing a hospital use with an approval of a Conditional Use Permit meets the underlying intent of the Mixed-Use designation as defined by the adopted General Plan.

#### Upcoming General Plan Implementation and Future Development

As part of the future General Plan implementation process, the existing specific plans will be further analyzed and reviewed, including establishing new zoning districts and development regulations tailored to each specific plan area. Through this process, the vision for the South Fair Oaks Specific Plan will be further vetted. There may be changes to permitted land uses and standards within the Specific Plans as the array of existing uses, proposed projects and development regulations are evaluated more comprehensively. At that time, further restrictions on the location of hospital uses within the Specific Plan may be appropriate.

In addition, subsequent to the initiation of the Specific Plan Amendment, Art Center College of Design submitted a Master Plan application. The proposed Master Plan proposes to expand its South Campus (located within the Specific Plan area along Raymond Avenue) with new student housing, academic and administrative spaces, retail, and parking facilities. Therefore, it may be appropriate to reevaluate the permitted land uses along Raymond Avenue and possibly consider restricting hospital uses along Raymond Avenue to encourage development of land uses that are more compatible Amendment to South Fair Oaks Specific Plan January 25, 2016 Page 6 of 7

and can prosper alongside Art Center (i.e. creative office, design studios) as the Master Plan moves forward the entitlement process.

# **Addressing Community Comments**

Staff analysis concludes that it is appropriate to allow a hospital use with an approval of a Conditional Use Permit within the Specific Plan. Though one community member expressed a desire for high density residential mixed uses along Raymond Avenue, the General Plan does not limit the development within the Mixed-Use land use designations to residential mixed-use developments as explained above. Furthermore, a forthcoming update to the Specific Plan will allow for future study of the array of uses and development standards intended for the Specific Plan. In addition, the proposed amendment will still allow the City to review each future proposal for a hospital on a case-by-case basis through the Conditional Use Permit process. Through the Conditional Use Permit process, potential impacts of each proposal, such as traffic among other issues, will be thoroughly vetted.

# **REQUIRED FINDINGS:**

In order to amend a specific plan and the zoning code, the City Council is required to make certain findings as set forth in the Sections 17.68.070 and 17.74.070.A of the PMC. As detailed in Attachment B (Findings of Consistency), the required findings can be made for the proposed amendment.

# COUNCIL POLICY CONSIDERATION:

The proposed amendment to the Specific Plan furthers the goals and policies of the General Plan related to job choices, transit-related land uses, transit villages, business expansion and growth, and medical support uses, as described in Attachment B (Findings of Consistency).

# ENVIRONMENTAL ANALYSIS:

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the City prepared an Initial Study (Exhibit 1 of Attachment A). Based on the Initial Study, it was concluded that the project will not have a significant effect on the environment with the implementation of a mitigation measure in the area of Cultural Resources related to paleontological resources, and has prepared a Draft Mitigated Negative Declaration (MND).

The Public review period for the Initial Study and draft MND commenced on November 19, 2015, and concluded on December 9, 2015. Copies of the Initial Study and the Draft MND have been made available to the public during the comment period. One comment letter was received from the County Sanitation Districts of Los Angeles County ("District"). However, this letter does not address the content or adequacy of the environmental document; rather, it informs the City about the District's role in approval any future development projects.

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#### **FISCAL IMPACT:**

There is no net change in the potential square footage in the South Fair Oaks Specific Plan; therefore the potential revenues received from future development will not change. Any future projects proposed under this specific plan amendment would pay required fees for applicable entitlements.

Respectfully submitted,

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Attachments: (6)

A - Draft Mitigated Negative Declaration (Exhibit 1 - Draft Initial Study)

B – Findings

- C Map of the Existing Specific Plan Boundary
- D Map of the Expanded Specific Plan Boundary
- E Illustration of existing medical uses with South Fair Oaks Specific Plan and Surrounding Areas
- F Map the Specific Plan with the General Plan Land Use Designations