

H-18

September 15, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive the supporting documentation into the record, conclude the public hearing, and find the project exempt from the California Environmental Quality Act (CEQA) in accordance with Article 5, Section 15061;

Declare an Ordinance approving Zoning Code Amendment ZCA20-008, amending Title 21 (Zoning Code) of the Long Beach Municipal Code, to modify allowed and conditionally allowed commercial and industrial uses, as well as adjust required parking for medical uses, read the first time and laid over to the next regular meeting of the City Council for final reading; and,

Adopt a Resolution directing the Director of Development Services to submit the Ordinance amending Title 21 to the California Coastal Commission for a finding of conformance with the Certified Local Coastal Program. (Citywide)

DISCUSSION

On April 9, 2019, the City Council requested the City Manager evaluate and coordinate potential land use incentives and strategies to expand access to quality urgent care in neighborhoods with limited access to acute care facilities. On February 3, 2020, the Development Services Department provided a memorandum to the City Council (Attachment A - TFF) explaining potential land use changes and incentives that could assist in the opening and retention of urgent care facilities, particularly in communities of need. This item was combined with the Planning Bureau's overall Zoning Code update work (omnibus), and adjusted to reflect the need for regulatory relief to assist in COVID-19-related economic recovery. These omnibus Zoning Code changes were approved by the Planning Commission on June 4, 2020.

These omnibus zoning updates fall into five groupings. They are all intended to further good zoning practice, which provides sufficient process to assure orderly development, limit potential impacts and externalities, and forward the public interest while also assuring the process is not so burdensome such that it inhibits investment and the delivery of needed goods and services. Collectively, these five changes modify the way land uses are approved without removing any development standards or contemplating a change in the total amount of development that may occur over time.

A hierarchy exists within the development process, with many projects, such as construction of a new single-family home, requiring only a building permit. Other projects such as

construction of five apartments, require a multi-departmental staff review but no hearing. Uses with special impacts, such as laundromats, are subject to a hearing before the City's Zoning Administrator. The largest or most impactful developments, such as large mixed-use buildings or rocketry uses with outdoor explosives, require a hearing and review by the Planning Commission. These proposed amendments primarily relate to uses that are not particularly impactful but do require some level of review, imposition of conditions, and public hearing. That review can appropriately be changed from the Planning Commission to the Zoning Administrator. Review by the Zoning Administrator, through an Administrative Use Permit (AUP) instead of a Conditional Use Permit (CUP), typically saves an applicant one-month of review time and \$1,000 or more in City entitlement fees.

Change 1 - Modify Table 33-2 (Industrial Uses) to allow outdoor recreation, health clubs, job training, and vocational schools through an AUP where a CUP was previously required.

Outdoor recreation, such as a driving range, health clubs, and vocational schools are unique in that their review in industrial areas is primarily concerned with the impact of surrounding industry on the use rather than the proposed use's impacts on its neighbors and the environment. For example, driving ranges do not pair well with adjacent fish processing facilities, and vocational schools may not be well suited for locations with heavy truck traffic and limited sidewalks. These issues can be appropriately addressed by the Zoning Administrator and any aggrieved party would have the right of appeal to the Planning Commission. Streamlining the ability for job training and vocational schools to assist individuals with job-change and skills that may be necessary during the current period of economic distress is of special importance at this time.

Change 2 - Modify Table 32-1 (Commercial Uses) to allow minor auto repair, motorcycle sales and repair, vehicle parts and tire store, religious assembly uses, industrial arts trade schools, and repair shops through an AUP where a CUP was previously required.

Minor auto repair consists of oil changes, tune-ups, and other repairs that do not include body work or other collision repair. Likewise, the repairs at motorcycle sales, vehicle parts and tire stores consist of less-impactful work than that associated with auto body-shop and collision repair, which is not modified by this amendment. These uses do have noise and circulation issues that require careful attention and appropriate conditions, but they do not rise to the level of concern and review as body-shops and similar uses that require a CUP.

Religious assembly uses typically may have no impact throughout the week but may have specific noise, parking, and circulation issues on one or two days per week corresponding to services. Consistent with this level of impacts and the Religious Land Use and Institutionalized Persons Act (RLUIPA) direction to streamline approvals for religious entities, review by the Zoning Administrator is appropriate.

The change to industrial arts trade schools is similar to that discussed in Change 1 but with even fewer potential impacts due to the nature of commercial zones. All these projects can be appropriately reviewed by the Zoning Administrator.

Change 3 - Modify Table 32-1 (Commercial Uses) to allow religious assembly uses, hospitals and convalescent homes through an AUP where a CUP was previously required, or a CUP where not previously permitted.

The change to religious uses in neighborhood-scale commercial zones builds-upon the City's efforts over the last several years to achieve compliance with RLUIPA and to facilitate the ability of all Long Beach residents to have locations to observe the faith of their choice. The proposed change corrects a tension in the Zoning Code whereby small religious uses are allowed on neighborhood commercial streets, but large facilities are not. The original intent of this regulation, likely to protect main street for shops and services, may not be as relevant today as in earlier years due to changes in internet commerce and consumer behavior.

The current Zoning Code has a substantial negative unintended effect on religious facilities that may grow and seek to expand but are not able to do so without moving to a new location. The proposed amendments correct this situation in two ways: (1) they provide an AUP approval where a CUP was previously required, and (2) they also allow large religious facilities in restrictive commercial zones through a CUP, whereas the current zone completely disallows facilities over 25,000 square feet in the CNP, CNA, and CNR zones.

Hospitals and convalescent homes fill different areas of the health care continuum of care and are needed in all communities. Unfortunately, medical services are not distributed equitably, and poor communities of color often have inadequate access to medical care. The City Council requested options to improve this situation. Many solutions involve changes to state and federal regulations, insurance reimbursement rates, and community access to insurance. While the City has limited abilities to address those nationwide issues, it does have direct control over zoning regulations that may currently diminish the ability to construct and operate medical uses.

A convalescent hospital, also known as a skilled nursing or long-term facility, is important for patients recuperating from some illness that no longer need general hospital care but cannot return home. These facilities are integrated into commercial and residential neighborhoods throughout Long Beach. Land use issues associated with these facilities are limited, primarily concerned with parking and circulation for facility staff and appropriate locations for ambulance or other medical transportation vehicles. The state and federal government, not the City, are the primary regulator of medical operations and standards of care within these facilities. As proposed, convalescent hospitals would be allowed with a CUP in neighborhood commercial zones (CNP, CNA and CNR zones) and an AUP in more-intensive commercial zones.

General hospitals do have significant impacts on neighboring properties and the environment. Hospitals generate significant traffic, ambulance noise, tall buildings with potential shadow impacts, 24/7 operations, and other impacts. At the same time, hospitals provide a critical community service and represent the difference between life and death in emergency situations. Currently, hospitals are only permitted in the Institutional zone (I zone). There are no vacant or underutilized I zone sites in Long Beach, so a new hospital would need a zone change approval from the City Council. As proposed, locations in commercial zones could apply to build and operate a hospital without a zone change but instead obtain a CUP from the Planning Commission. In practice, the Planning Commission is best suited to conduct public hearings and evaluate major development, including hospitals.

Change 4 - Modify Table 32-1 (Commercial Uses) to expand the description of professional services to fully include medical uses including, but not limited to, urgent care centers.

This change represents a cleanup of the Zoning Code. The code does allow medical services within commercial zones, as a matter of right. These uses, however, are noted through a single word "medical" within the larger professional services row of the table. This has led to internal confusion among City staff as well as among external customers as to whether medical includes urgent care or outpatient procedure centers or other varieties of medical uses. The proposed description is more encompassing and will assure that all non-hospital medical services are permitted within commercially-zoned properties of the city.

Change 5 - Modify Table 32-1 (Commercial Uses) to expand the description of professional services to fully include medical uses including, but not limited to, urgent care centers; and, amending Table 41-1C (Commercial and Industrial Parking) to reduce parking requirements for medical uses from 5/1,000 to 4/1,000.

A common way to encourage certain land uses is to reduce parking requirements. Parking is expensive to provide. Reducing parking requirements for urgent care and other medical facilities in new construction and changes of use in existing buildings can both create incentives for these uses and further other City goals to reduce storefront vacancy and activate commercial corridors. A typical impediment to activating storefronts is that prospective businesses are not able to meet parking requirements triggered by a change of use to uses that typically have higher parking ratios than retail, such as restaurants or medical uses. This condition is present, for example, on corridors in North Long Beach, such as Atlantic Avenue and Artesia Boulevard, where there is also a documented need for access to non-emergency health care. Per today's standards, urgent care or medical office facilities would be required to provide 5 parking spaces per 1,000 square feet of building. An urgent care facility is typically 2,500 square feet and that ratio would require 13 parking spaces. At this ratio, the parking area would exceed the size of the medical facility.

The current parking requirements are particularly burdensome in terms of the change-of-use in existing commercial buildings. Office and retail uses are parked at 4 parking spaces per 1,000 square feet, meaning a change-of-use to a medical use typically requires the provision of additional parking for an existing building. While the incremental additional parking required is typically small, three spaces for an average-sized urgent care clinic, it is oftentimes physically impossible to add additional parking to existing structures and lots that may have been built out many decades ago. This lack of flexibility increases the number of vacant storefronts and inhibits higher-parking uses such as medical services.

The current parking requirement appears to have originated with the Institute of Transportation Engineers (ITE) Parking Generation manual. The ITE notes an average parking demand of 4.94 vehicles per 1,000 square feet of building. This average, however, is misleading and the ITE rates serve as a starting point, not the end of analysis for what parking requirements may be correct for a given community.

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The ITE compiles parking rates based on physical surveys of parking demand. While some land-uses are updated frequently by ITE, others are not. The category for medical is 630, Clinic, based on eight studies: Glen Ellyn, IL (1976), Santa Rosa (1984), Syracuse, NY (1984), West Hartford, CT (1984), Windsor, ON, Canada (1986), and Santa Barbara (2004). These studies all pre-date the introduction of rideshare services such as Uber and Lyft and all consist of cities with transit service more limited than that in Long Beach. Even with these shortcomings, the 4.94 falls within a quite large range of 3.28 to 9.86 with a standard deviation of 1.99.

Considering the shortcomings of the ITE data and the potential benefits of a modest reduction of parking requirements, balanced with the public-good of providing needed medical care, staff strongly recommends this change as necessary and appropriate.

This matter was reviewed by Assistant City Attorney Michael J. Mais on August 13, 2020 and by Budget Analysis Officer Julissa José-Murray on August 15, 2020.

Public Notice and Environmental Compliance

In accordance with public hearing notification requirements for a Zoning Ordinance Amendment in Long Beach Municipal Code (LBMC) Section 21.21.302.C, notice of this public hearing was published in the Long Beach Press-Telegram on September 1, 2020; written notices were sent to the California Coastal Commission. Due to COVID-19-related closures, notices were not posted at City libraries, notice posting was provided at City Hall but not at multiple locations and no public meetings were held on this matter. A notice of the proposed code amendment was distributed through the City's LinkLB e-mail blast system. No comments have been received as of the preparation of this report.

Approved development was evaluated previously under the California Environmental Quality Act (CEQA) and no change in environmental impacts is expected through this modification of process for certain uses. New development utilizing this code amendment is subject to its own individual review and is generally within the scope of what was analyzed in the previously certified Program Environmental Impact Report (EIR 03-16) prepared for the General Plan Land Use Element update, which found significant and unavoidable impacts related to air quality, global climate change, noise and transportation, and will not result in any new significant impacts. None of the conditions requiring a new subsequent or supplemental environmental impact report, as stated in Section 21166 of the Public Resources Code or in Sections 15162 or 15163 of the CEQA Guidelines, are present. The EIR is available on the City's website at <http://www.longbeach.gov/lbds/planning/environmental/reports>. Additionally, pursuant to CEQA, Article 5, Section 15061 and the State CEQA Guidelines, it can be seen with certainty that the subject modifications to the LBMC noted above will not have the potential for having a significant effect upon the environment and, therefore, the activity is not subject to CEQA. More extensive analysis can be found within Attachment B - Findings.

TIMING CONSIDERATIONS

Pursuant to Section 21.25.103 of the Zoning Regulations, this request should be presented to the City Council within 60 days of the Planning Commission hearing, which took place on June 4, 2020. While the advisory 60-day period could not be met, the earliest possible City Council action is requested on September 15, 2020.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation. This recommendation has no staffing impact beyond the budgeted scope of duties and is consistent with existing City Council priorities. While this action is intended to promote future economic activity, any projection of its impact would be speculative.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:



THOMAS B. MODICA
CITY MANAGER

OWO:CK:HF

ATTACHMENTS: CITY COUNCIL ORDINANCE
CITY COUNCIL RESOLUTION
ATTACHMENT A - TFF
ATTACHMENT B - FINDINGS

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY AMENDING TABLE 32-1 OF CHAPTER 21.32, TABLE 33-2 OF CHAPTER 21.33, AND TABLE 41-C OF CHAPTER 21.44, ALL RELATED TO ZONING CODE REGULATIONS

The City Council of the City of Long Beach ordains as follows:

Section 1. Table 32-1 of Chapter 21.32 of the Long Beach Municipal Code is amended by amending items under "Automobile (Vehicle) Uses," "Public and Semi-Public Institutional," and "Personal Services" to read as follows:

Table 32-1
 Uses In All Other Commercial Zoning Districts

	Neighborhood			Community				Regional	Other	Notes
	CNP	CNA	CNR	CCA	CCP	CCR	CCN	CHW	CS	
Automobile (Vehicle) Uses										Note: All outdoor display, storage, service and repair of vehicles is subject to special standards (see Chapter 21.45).
Minor auto repair, tune up and lube, smog test	N	N	N	AP	AP	AP	AP	Y	N	
Motorcycle/jet ski sales and repair	N	N	N	AP	AP	N	N	AP	N	See also industrial

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1										zones, table 33-1.
2	Vehicle parts (with installation); tire store	N	N	N	AP	AP	AP	AP	AP	N
3										
4	Public and Semi-Public Institutional									Additional Regulations
5										
6	Religious assembly uses with over 25,000 square feet of GFA	C	C	C	AP	AP	AP	AP	AP	N
7										
8	Convalescent hospital or home	C	C	C	C	C	AP	AP	AP	N
9										
10	Hospital	C	C	C	C	C	C	C	C	N
11	Industrial arts trade school or rehabilitation workshop	N	N	N	AP	AP	AP	AP	Y	N
12										
13										
14	Personal Services									Additional Regulations
15	Repair shop (stove, refrigerator, upholstery, lawn mowers, etc.)	N	N	N	AP	AP	AP	AP	Y	N
16										For small appliance repair, see "basic personal services."
17										
18	Professional Services									
19										
20	Accounting, advertising, architecture, artist studio, bookkeeping, business headquarters, chiropractic, computer programming, consulting, contracting, dentistry, engineering, insurance, lab testing, law, marketing, medicine, medical	Y	Y	Y	Y	Y	Y	Y	Y	N
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offices, urgent care centers, outpatient surgical centers and similar medical uses, photography, psychiatry, psychology, real estate, or tax preparation										
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Section 2. Table 33-2 of Chapter 21.33 of the Long Beach Municipal Code is amended by amending items as follows:

Table 33-2
 Uses In Industrial Districts

Use	IL	IM	IG	IP	*Notes and Exceptions
13.1 Outdoor recreation (drive-in theater, racetrack, golf, driving range, shooting range and similar uses)	AP	N	N	See Item 10 in this table.	a. Any business involved in the sale of alcoholic beverages shall be subject to conditional use permit review and shall meet the location requirements contained in Section 21.52.201. The following exceptions do not require conditional use permit: <ul style="list-style-type: none"> • Restaurant with alcoholic beverage service only with meals, whereby alcoholic beverage sales comprise 30 percent or less of the monthly gross sales of the restaurant. This generally means that any use with a fixed bar is <u>not</u> exempt from the conditional use permit requirement. A service bar is not a fixed bar. A sushi bar where alcoholic beverages are served at the same bar as meals is considered as serving alcoholic beverages only with meals. A cocktail lounge without a bar but with service primarily of hors d'oeuvres and alcoholic beverages <u>shall</u> require a conditional use permit. • Any use located more than 500 ft. from a zone district which allows residential use
13.4 Health clubs and the like (SIC code 7991)	AP	N	N	N	

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					<ul style="list-style-type: none"> • Department store or florist shop with accessory sales of alcoholic beverages • Existing legal, nonconforming uses
14. Miscellaneous uses					
14.4 Job training and vocational rehabilitation (SIC code 833)	AP	AP	AP	AP	

Section 3. Table 41-1C of Chapter 21.41 of the Long Beach Municipal Code is amended by amending the following item to read as follows:

Table 41-1C
 Required Number of Parking Spaces for
 Commercial, Industrial/Manufacturing and All Other Uses
 (Continued)

Use	Required Number of Spaces
Office	
2. Medical or dental office, clinic, urgent care, outpatient surgical center or similar medical uses	4 per 1,000 GFA

Section 4. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

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I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of _____, 20____, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

Approved: _____
(Date)

Mayor

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AUTHORIZING THE DIRECTOR OF
DEVELOPMENT SERVICES TO SUBMIT AMENDMENTS
TO THE LONG BEACH ZONING REGULATIONS TO THE
CALIFORNIA COASTAL COMMISSION FOR APPROVAL

WHEREAS, on _____, 2020, the City Council of the City of
Long Beach amended certain provisions of the Long Beach Zoning Regulations, Title 21,
of the Long Beach Municipal Code; and

WHEREAS, it is the desire of the City Council to submit the above
referenced zoning regulation amendments to the California Coastal Commission for its
review and certification; and

WHEREAS, the Planning Commission and City Council gave full
consideration to all facts and the proposals respecting the amendments to the zoning
regulations at properly noticed and advertised public hearings; and

WHEREAS, the City Council, in accordance with the recommendation of
the Planning Commission, approved the proposed amendments to the zoning regulations
by adopting amendments to Title 21. The proposed zoning regulation amendments are
to be carried out in a manner fully consistent with the Coastal Act and become effective in
the Coastal Zone immediately upon Coastal Commission certification and approval; and

WHEREAS, the City Council hereby finds that the proposed zoning
amendments will not adversely affect the character, livability or appropriate development
in the City of Long Beach and that the amendments are consistent with the goals,
objectives and provisions of the City's General Plan and the California Coastal Act.

NOW, THEREFORE, the City Council of the City of Long Beach resolves as
follows:

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Section 1. The amendment to the Long Beach Zoning Regulations of the City of Long Beach adopted on _____, 2020, by Ordinance No. ORD-20-_____, a copy of which is attached to and incorporated in this resolution as Exhibit "A", is hereby submitted to the California Coastal Commission for its earliest review as to that part of the ordinance that directly affects land use matters in that portion of the California Coastal Zone within the City of Long Beach.

Section 2. The Director of Development Services of the City of Long Beach is hereby authorized to and shall submit a certified copy of this resolution, together with appropriate supporting materials, to the California Coastal Commission with a request for its earliest action, as an amendment to the Local Coastal program that will take effect automatically upon Coastal Commission approval pursuant to the Public Resources Code or as an amendment that will require formal City Council adoption after Coastal Commission approval.

Section 3. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I certify that this resolution was adopted by the City Council of the City of
Long Beach at its meeting of _____, 2020, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk



City of Long Beach
Working Together to Serve

Memorandum

Date: February 3, 2020

To: Thomas B. Modica, Acting City Manager *T.M.*

From: Linda F. Tatum, Director of Development Services *LT*

For: Mayor and Members of the City Council

Subject: **Incentives for Urgent Care Facilities**

At its April 9, 2019 meeting, the City Council requested the City Manager to coordinate with appropriate departments on potential incentives and strategies to expand access to quality urgent care in neighborhoods with limited access to an acute care facility. It was noted that areas like North and West Long Beach have limited access to health care services. In the absence of local, convenient health care, people increasingly turn to emergency rooms for non-life-threatening medical care, which results in overburdened emergency rooms and long wait times. As a solution, urgent care facilities can help provide convenient access to health care and relieve overcrowding of emergency rooms. In addition, they also can provide affordable costs, evening and weekend hours, and shorter wait times.

Provided below is a summary of the potential land use and other incentives and strategies the City of Long Beach (City) may employ to encourage urgent care facilities to locate in underserved communities. Based upon a review of the City's current regulatory framework, discussions with industry and health experts, and input from City departments, staff have developed initial options and recommendations for the City Council's consideration.

Notwithstanding the proposed changes to land use regulations, staff's research indicates that the lack of urgent care facilities in underserved communities is driven primarily upon factors outside of the City's control, including the financial performance and operating costs of urgent care facilities, and insurance reimbursement rates. The most significant factor influencing industry decisions over where to site an urgent care center is not land use regulations, but rather the number of potential customers with high-reimbursement rate private insurance in the surrounding area. Therefore, changes in state and federal policy will be required to more fully and effectively incentivize the location and expansion of urgent care facilities to underserved areas, which have higher rates of uninsured, and Medicaid and Medicare insured individuals.

Potential Land Use Incentives

Streamlined Process: Currently, urgent care facilities are not called out or listed as a use in commercial districts in the zoning code. A code amendment to define the urgent care use and specify that it does not require an Administrative Use Permit (AUP) or Conditional Use Permit (CUP) would allow these establishments to operate in commercial areas by-

Incentives for Urgent Care Facilities

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right, and avoid the time and costs associated with a discretionary review process. Currently, professional services not listed in the Long Beach Municipal Code require an AUP.

Some medical uses are limited or prohibited in Industrial zones. Further analysis would be required to determine the trade-offs of allowing medical uses in Industrial zones, and the compatibility of medical uses with nearby industrial uses, in light of potential emissions and impacts.

Reduced Parking Requirements: A common way to encourage certain land uses is to reduce parking requirements. Parking is expensive to provide. Reducing parking requirements for urgent care facilities in new construction, and/or exempting urgent care and other similar health care uses from parking requirements for changes of use in existing buildings, can both create incentives for these uses and further other City goals to reduce storefront vacancy and activate commercial corridors. A typical impediment to activating storefronts is that prospective businesses are not able to meet parking requirements, which are triggered by a change of use to uses that typically have higher parking ratios than retail, such as restaurants or medical uses. This condition is present, for example, on corridors in North Long Beach, such as Atlantic Avenue and Artesia Boulevard, where there is also a documented need for access to non-emergency health care. Per today's standards, urgent care facilities would be required to provide parking similar to the medical office use, which requires five (5) parking spaces per 1,000 square feet. An urgent care facility is typically 2,500 square feet, which would require 13 parking spaces.

The current parking requirements are particularly burdensome for change-of-use in existing commercial buildings. Office and retail uses are parked at four (4) parking spaces per 1,000 square feet, meaning a change-of-use to a medical use typically requires the provision of additional parking for an existing building. While the incremental additional parking required is typically small (e.g. three spaces for an average-sized urgent care clinic), it is oftentimes physically impossible to add additional parking to existing structures or lots that may have been built out many decades ago. This lack of flexibility increases the number of vacant storefronts and inhibits higher-parking uses such as medical services.

To create additional flexibility, parking reductions can be scaled to the size of the facility to encourage neighborhood-serving urgent care facilities on transit-accessible commercial corridors. Smaller establishments could be exempted from any parking requirements, while a reduced parking standard could be applied to larger facilities that may serve a larger geographic area.

Floor Area Ratio Bonuses (FAR): Increased development rights in the form of FAR bonuses can be used as an incentive to promote urgent care facilities and similar health care uses. This would serve as an incentive to developers to include urgent care facilities in new development and set rent prices at an appropriate level. This is effectively done by exempting the urgent care facility from the maximum development calculations, meaning that if the developer includes an urgent care facility, along with other uses on a site, the

urgent care facility does not count towards the maximum allowable development. This incentive will enable the property owner to offer below-market rental rates to the urgent care operator and offset the loss in rent with rents collected from the additional leasable square footage. Development projects obtaining such FAR bonuses could be subject to a discretionary process and can be conditioned to require that an applicant has an agreement with a health care service provider at the time of application or prior to issuance of the building permit. Further analysis is required before implementing this type of incentive.

Potential Economic Development Incentives

While there is currently no direct City funding available to support the establishment of urgent care facilities, staff identified the following services that could be provided by the City.

Ombudsman Services: Economic Development and Development Services staff can facilitate the location of neighborhood-serving urgent care facilities along the City's commercial corridors by providing ombudsman services to help applicants navigate the permitting process.

Marketing and Outreach: Economic Development staff can engage brokers, property owners, developers, health industry professionals and others in promoting and marketing Long Beach as an ideal location to open new urgent care facilities.

Department of Health and Human Services Input

Like other medical providers, medical professionals and groups that operate urgent care facilities rely on reimbursements from insurance companies to defray the cost of providing services. Lower income communities tend to have higher rates of uninsured, which may reduce the feasibility of locating in those communities, even while these areas may have the greatest need. The ability to enroll residents from a given community into healthcare plans, such as those offered under the Affordable Care Act, increases the potential pool of customers for medical providers and can increase the likelihood that new medical providers will open in the community.

Staff from the Department of Health and Human Services (DHHS) contacted an industry expert to identify potential strategies to address this need. The industry expert noted that Medicare and Medicaid often do not provide sufficient reimbursements for urgent care visits to substantially cover the cost of providing the service. It was suggested that urgent care clinics would be more viable if public funding could subsidize urgent care visits for low-income or uninsured patients. Further investigation revealed that the City is not in a position to provide funding to subsidize urgent care visits or otherwise direct funding to private clinics to provide such services. The federal government provides funding for community-based health care providers in underserved areas (known as Federally Qualified Health Center [FQHC]). There are FQHC's in the City that are operated by private medical groups. Additionally, the DHHS operates health clinics that provide specialty services for

Incentives for Urgent Care Facilities

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communicable diseases such as tuberculosis, HIV, and sexually transmitted diseases. Prior to the Great Recession, the DHHS operated primary care clinics, which operated at a loss, but has not done so since 2010, due to general fund deficits and cuts in state funding. In the future, there may be other federal programs and funding that can be administered by DHHS to improve the economic viability of urgent care clinics in some of Long Beach's underserved areas. DHHS staff will monitor federal rules and funding for health care, which are constantly evolving and subject to repeated change.

Some further policy considerations include staffing urgent care or other medical facilities with nurse practitioners or physician's assistants who earn lower salaries than medical doctors, but are licensed to provide many of the same medical services and can help reduce the cost of providing non-acute services. The use (or restrictions) of nurse practitioners and physician's assistants to staff medical facilities are governed by State and Federal regulations, not City action. The City may wish to support policies within its State Legislative Platform, which would provide this staffing flexibility.

Next Steps

The parking requirements and other land use incentives described above are contemplated in the draft UPLAN study and zoning ordinance for North Long Beach that will be presented to the Planning Commission and City Council in early 2020. Development Services staff will consider implementation of these measures citywide as part of a future omnibus zoning code update at a future date in late 2020. Other incentives and policy changes described in this memo will be evaluated at a future date depending on staff resources, as well as any potential changes in State and Federal regulations.

If you have questions regarding this matter, please contact Patricia Diefenderfer at (562) 570-6261, or patricia.diefenderfer@longbeach.gov.

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FINDINGS

**Omnibus Use Adjustment and Medical Zoning Code Amendment
Application No. 2004-001
June 4, 2020**

The Long Beach Municipal Code does not require specific findings for the adoption of a Zoning Code Amendment. The proposed Zoning Code Amendments, however, are consistent with state law and guidelines, consistent with other elements of the General Plan, will not adversely affect the character, livability or appropriate development of the City, and is in conformity with public necessity, convenience, general welfare, and good planning practice. The City of Long Beach makes these findings in support of its adoption of the Omnibus Use Adjustment and Medical - Zoning Code Amendments.

The Zoning Code Amendments are consistent with objectives, principles, and standards of the General Plan. The Zoning Code Amendments (ZCA) would not conflict with the City's General Plan, the 2010 Strategic Plan, local coastal program, or any other applicable land use plans and policies. The ZCA involves amendments to various sections of the zoning code to provide a more streamlined approval process for certain community-serving uses while still providing appropriate review and analysis. The ZCA is consistent with goals, policies and strategies in the existing Land Use Element (LUE), Housing Element (HE), and Mobility Element (ME) of the General Plan. The ZCA does not change physical development standards but rather changes the approval process for community-serving uses such as trade schools, repair shops and religious facilities and medical uses. As these projects undergo individual approval processes, including findings of General Plan consistency, those approvals through a different streamlined approval process forwards the construction of projects that are consistent with the General Plan.

The General Plan Land Use Element (LUE) includes implementation measure LU-M-15 to streamline permitting to help local businesses to establish and grow. LUE Measure LU-M-25 also supports flexible zoning standards to promote infill development, LU-M-44 promoting development incentives for health centers.

These zoning changes support good zoning practice and build upon existing studies. On February 3, 2020 the City Council received a specific memo regarding urgent care facilities, building upon an April 9, 2019 City Council request to explore incentives to expand Urgent Care within the City. These zoning code changes respond to this identified need and do so with zoning tools that provide incentives while upholding community standards and limiting impacts.

The Omnibus Zoning Code Amendments will not adversely affect the character, livability or appropriate development of the City, and is in conformity with public necessity convenience, general welfare, and good planning practice. As the City's current zoning code has not been substantively updated since 1989, there are many sections of the current code that maintain outdated standards, regulations, and references that affect quality of life in the City and inhibit good planning. The proposed amendments do not change development standards for physical development but rather

change the procedural processing of entitlements and other approvals. This change will respond to a community need for medical and other uses, as well as the need for repair uses associated with current levels of economic distress, and improve the City's economic resiliency. The change is consistent with good planning practice and furtherance of the public interest to promote development and investment that is consistent with the General Plan.

The Omnibus Zoning Code Amendments are consistent and compliant with the California Environmental Quality Act. No adverse environmental impacts are contemplated or expected of the proposed action. The proposed action modifies the approval process for certain uses within the City but does not result in an increase in overall development, development intensity, character or impacts. New development utilizing this code amendment is subject to its own individual review and is generally within the scope of what was analyzed in the previously certified Program Environmental Impact Report (EIR 03-16) prepared for the General Plan Land Use Element update, which found significant and unavoidable impacts related to air quality, global climate change, noise and transportation, and will not result in any new significant impacts. None of the conditions requiring a new subsequent or supplemental environmental impact report, as stated in Section 21166 of the Public Resources Code or in Sections 15162 or 15163 of the CEQA Guidelines, are present. The EIR is publicly available on the City's website at <http://www.longbeach.gov/lbds/planning/environmental/reports>. Public Resources Code Section 21099 specifically exempts parking from CEQA reviews in an urban context. Impacts of the component pieces of the code amendment are explained below:

Changes to Table 33-2 (Industrial Uses) to allow outdoor recreation, health clubs, job training and vocational schools through an Administrative Use Permit (AUP) where a Conditional Use Permit (CUP) was previously required – This change results in a different approval process shifting from one discretionary action (CUP) to another (AUP). The purpose of this change is to align the level of review with the proposed uses, allowing for a streamlined, staff Zoning Administrator review in lieu of consideration by the Planning Commission. The action remains subject to a full review, including environmental analysis, public hearing and possible appeals by the public. Outdoor recreation, health clubs, and training school require a CUP primarily because of the impact of surrounding industrial uses on them, not the new uses' impact on the environment. CEQA Guidelines 15061(b)(3) provide a common-sense exemption for these situations. Additionally, these developments generally consists of use of existing facilities (exempt under 15301), replacement or reconstruction of existing facilities (exempt under 15302), new construction of small structures (exempt under 15303) or a qualified in-fill project (exempt under 15332). The City of Long Beach is a built-out urban community with existing development controls and reviews to protect the physical environment.

Changes to Table 32-1 (Commercial Uses) to allow minor auto repair, motorcycle sales and repair, vehicle parts and tire store, religious assembly uses, industrial arts trade schools, and repair shops through an AUP where a CUP was previously required - This change is similar to the changes to Table 33-2. These uses required discretionary review before the change and will require discretionary review after. These uses are specially regulated due to the potential for noise, vehicle and pedestrian traffic spillover and other operational characteristics. These impacts will be evaluated in the AUP process and

appropriately conditioned by the Zoning Administrator. Additionally, the restrictions of the City's Noise Ordinance further guarantee that no significant impact to the environment will occur. Like the industrial uses, these developments generally consist of use of existing facilities (exempt under 15301), replacement or reconstruction of existing facilities (exempt under 15302), new construction of small structures (exempt under 15303) or a qualified in-fill project (exempt under 15332). The City of Long Beach is a built-out urban community with existing development controls and reviews to protect the physical environment.

Allowing religious assembly uses, hospitals and convalescent homes through a CUP in some zones where the use was previously not permitted and an AUP in other zones where a CUP was previously required – The purpose of this amendment is to allow flexibility in the provision of religious and medical uses. While these uses may not have been previously allowed under commercial zones, they were still able to develop through the zone-change process to the Institutional Zone. The proposed amendment will simplify the approval process and still provide discretionary review for all of these uses. The total development throughout the City will not change and will still be constrained by the City's General Plan and associated Program EIR. For the non-hospital uses, similar to uses discussed above, these developments generally consist of use of existing facilities (exempt under 15301), replacement or reconstruction of existing facilities (exempt under 15302), new construction of small structures (exempt under 15303) or a qualified in-fill project (exempt under 15332). The City of Long Beach is a built-out urban community with existing development controls and reviews to protect the physical environment.

For hospitals, the proposed zoning code amendments do not modify Municipal Code Section 21.34.020 requirements that assure that hospitals and other large facilities prepare a Long Range Development Plan which assures sufficient environmental review and contemplation of all land-use, social and physical impacts of the facility.

Expanding the description of professional services to fully include medical uses such as urgent care – this text change is intended to remove ambiguity from the zoning code and promote the development of urgent care and other medical uses that are needed to serve existing residents. These are not new uses to the City and physical impacts on the environment are not expected to change from the baseline.

Amending table 41-1C to reduce parking requirements for medical uses - this change from requiring parking at 5/1000 to 4/1000 for medical uses is intended to better align parking requirements with likely parking demand. This change is also intended to ease the ability to open needed urgent care and medical services through the change of use of vacant or under-used buildings. This results in positive environmental outcomes through the use of existing structures (as exempt under 15302). Public Resources Code Section 21099 specifically exempts parking from CEQA reviews in an urban context.