

January 9, 2017

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Private request from Overlake Medical Center (OMC) to amend the Land Use Code to facilitate campus upgrades including the addition of a new East Tower while maintaining existing limitations on campus development potential.

STAFF CONTACT

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Development Services Department

POLICY ISSUES

Should the City Council hold a public hearing on the OMC request to amend the Land Use Code to support campus upgrades consistent with the hospital's Project futureCare proposal. Proposed changes to the Land Use Code (LUC) are presented in Attachments A and B.

DIRECTION NEEDED FROM COUNCIL

ACTION



DIRECTION



INFORMATION ONLY



Direct staff to schedule, and provide required notice necessary to hold, a public hearing on the private request from OMC to amend the LUC to support campus upgrades consistent with the Project futureCare proposal. Proposed changes to the LUC are presented in Attachments A and B. Following the required public hearing, the City Council will be asked to take final action on the code amendments.

BACKGROUND/ANALYSIS

Overlake Medical Center (OMC) is seeking a Land Use Code Amendment to facilitate Project futureCare, a series of campus upgrades that are necessary to modernize patient care and allow OMC to compete with other regional medical providers. The project focus is a new five-floor East Tower, which will house the Childbirth Center, medical/surgical nursing care units, and other supporting functions. A new East Tower is the centerpiece of Project futureCare, and is proposed to be located in what is currently designated as a Medical Office Development Area (DA2) under the City's Medical Institution District regulations. However, the East Tower would be classified as a "hospital use," and hospital uses are only permitted to locate within Development Area 1 (DA1).

A LUC amendment is necessary to allow the new East Tower envisioned for Project futureCare to move forward. The need for the code amendment was identified early last year, and was initiated by the City Council and prioritized for processing on February 22, 2016. Additional campus planning work was undertaken, and City staff and OMC representatives met through the summer to discuss permitting and the scope of code amendments necessary to advance Project futureCare. Draft language was completed collaboratively in November for presentation to the City Council.

The proposal is narrowly tailored to maintain consistency with the Comprehensive Plan and the original objectives of the Medical Institution (MI) District zoning that created variation in development potential between the different Development Areas (DAs) located in the MI District. Two code changes are necessary to facilitate Project futureCare as proposed by OMC. First, an adjustment is proposed to the DA1 and DA2 boundaries on the Medical Institution District Development Areas Map contained in LUC 20.25J.010. A copy of the existing DA boundary map is included as Attachment A-1. A copy of the proposed DA boundary map is included in Attachment A-2. The specific proposal, which is reflected by Attachment A-2, is to extend the DA1 designation to flank both sides of NE 10th Street between I-405 and 116th Avenue NE. This will allow OMC to develop the East Tower in the newly-extended DA1, while maintaining the current use distinctions between DA1 and DA2.

The second amendment is to the Dimensional Requirements of LUC 20.25J.030. This amendment would ensure that the proposal is consistent with the State Environmental Policy Act (SEPA) review previously conducted by the City for the OMC Master Development Plan. The amendment would limit the height of hospitals to 140 feet within 150 feet of the 116th Avenue NE right-of-way. Height limits for hospitals would remain 200' when located elsewhere in DA1. This limitation, proposed for inclusion in the code amendment, will support the OMC proposal while maintaining the development envelope contemplated for the campus, so that visual impacts will be consistent with those anticipated when the MI District overlay was originally developed. No changes in square footage limitations or the hospital bed count applicable to the MI District are necessary, nor would they be allowed as a result of the LUC amendment before the City Council for review. The code change necessary to impose a limitation that maintains the current MI District height limits is presented in Attachment B.

Staff is seeking direction from the City Council to schedule, and provide required notice necessary to hold, a public hearing on the private request from OMC to amend the Land Use Code to support campus upgrades consistent with the Project futureCare proposal.

ALTERNATIVES

1. Direct staff to schedule, and provide required notice necessary to hold, a public hearing on the private request from OMC to amend the Land Use Code to support campus upgrades consistent with the Project futureCare proposal.
2. Provide staff with alternative direction.

RECOMMENDATION

Alternative 1

ATTACHMENTS

A-1. Existing Medical Institution District Development Areas Map

A-2. Proposed Medical Institution District Development Areas Map

B. Proposed Amendment to the MI District Dimensional Requirements Note 10

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

N/A