



## STAFF REPORT

### Development Code Text Amendment

Notice is hereby given that a public hearing will be held by the City of Coos Bay as follows:

- HEARING BODY:** Planning Commission
- DATE & TIME:** **March 8, 2015 at 6:00 p.m.**
- LOCATION:** City Council Chambers, City Hall, 500 Central Avenue, Coos Bay
- APPLICANT:** City of Coos Bay  
500 Central Avenue  
Coos Bay, Oregon
- LOCATION:** Entire area within Coos Bay with the Medical Park (MP) District zone designation
- SUBJECT:** **Development Code Text Amendment #187-ZON15-053 to allow general professional services as a permitted use in the MP district which presently only allows medical service and pharmacy as commercial use types.**

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#### I. PROPOSAL

The applicant is requesting approval of a text amendment to CBMC Chapter 17.65.020, Permitted Uses, in the Medical Park District to allow the additional use category of professional services which are defined as offices or private firms which are primarily used for the provision of professional, executive, management, or administrative services.

#### II. BACKGROUND

A property owner has initiated this request to benefit a vacant office building located at 2130 Thompson Road. The submitted narrative indicates that the property's structure has been vacant for more than a year and that the limited range of uses currently provided by the MP district has made it difficult to find a tenant. Although the request is associated with a particular property, the proposed expansion of professional uses cannot legally be applied to just a singular property but must be applied to the entire MP district. Otherwise, it becomes tantamount to spot zoning wherein one property is given a use benefit or relief from zoning regulations that is not extended to like properties sharing the same designations. Likewise, a variance is not an option because variances only apply to relief of development standards but cannot be utilized for relief of restricted or prohibited uses.

**III. APPLICABLE REGULATIONS**

Coos Bay Municipal Code Chapter 17 Development Code (current Code, in its entirety)  
Coos Bay Municipal Code Chapter 17.380 Amendments to the Plan and/or this Title (for review)

**IV. STAFF RECOMMENDATION**

Staff prepared the following report based on the applicant’s submittal, the current City of Coos Bay Land Development Code, City of Coos Bay Transportation System Plan, and City of Coos Bay Comprehensive Plan. These findings shall be used by the City Council to justify their final decision.

The Coos Bay Planning Commission must find that there is sufficient evidence in the record upon which to make a recommendation for proposed #187-ZON15-053 and that such recommendation be passed on to the City Council for final disposition.

**V. Section 17.380 AMENDMENTS TO THE PLAN AND/OR THIS TITLE: FINDINGS AND CONCLUSIONS**

The following is a list of the decision criteria applicable to the request as stated in Coos Bay Municipal Code, Chapter 17.380. Each of the criteria is followed by findings or justification statements which may be adopted by the City Council to support their conclusions. Although each of the findings or justification statements specifically applies to one of the decision criteria, any of the statements may be used to support the Commission’s final decision.

Based on their conclusions the Planning Commission shall send a recommendation to the City Council to approve, conditionally approve, or deny the application.

**CHAPTER 17.380 AMENDMENTS TO THE PLAN AND/THIS TITLE**

**(1) For a proposed title text amendment:**

**DECISION CRITERION (a): An acceptable rationale which supports the need for the amendment.**

**STATEMENTS OF FACT AND FINDINGS:**

1a. The Medical Park District is included in the zoning regulations to achieve the following city objectives:

- (1) To encourage the centralization of Coos Bay’s medical facilities.
- (2) To provide space for semi-public facilities needed to complement medical facilities.
- (3) To facilitate the establishment of the medical park district as an efficient regional referral center.
- (4) To facilitate the planning and programming of desirable and/or needed utilities and facilities to adequately accommodate planned service level and intensity of use.
- (5) To create an aesthetically pleasing, park-like environment conducive to the promotion of mental health and general well-being.
- (6) To establish and reserve appropriately located areas for desirable mixtures of medically related professional, limited complementary commercial, administrative business offices, and medically related multifamily residential uses.

(7) To control the encroachment of medically related facilities into established or intended residential areas.

- 1b. The applicant's narrative cites that the restriction on professional offices in the MP district has caused long-term vacancies and blight in the area. In addition, the narrative identifies other cities with a similar medical use zoning that has a greater range of professional uses along with medical offices and uses. The conclusion of the narrative is that these more permissive zone districts have allowed a wider inclusive range of uses which are both complimentary and mutually supportive to medical uses and facilities with the result being less blight and decreased vacancies that support the local economies.
- 1c. A map was provided by the applicant that identifies properties within the MP district that are either vacant buildings or undeveloped land, several of the latter presently on the market for sale. The purpose of the map, which was requested by staff, was intended to gain a greater illustration and portrayal of the amount of under-utilized properties and their distribution in the MP district.
- 1d. A letter of support for this requested text amendment was provided by the South Coast Development Council, Inc. and is included in this report as Attachment F.

**CONCLUSION:** Staff researched this issue and found the City of Tualatin has a similar Medical Center Planning District whose stated purpose "is to provide care facilities, allied health care uses and limited supporting retail and service uses for the convenience of patients, patient visitors and staff". A copy of permitted uses in Tualatin's Medical Center Planning District is provided as Attachment D. As indicated from the list, Tualatin's approach is to limit the square footage of land uses that are not directly related to medical services and patient care but provide some level of periphery support.

Staff also found that the City of Springfield has a similar Medical Services Zoning District and the list of permissive uses is provided as Attachment E. In Springfield's method of land use management, they have taken a similar approach to Coos Bay in that medically-related services and uses have to be directly related to medical care and patient treatment and the zoning regulations do not allow unrelated uses of any type.

It is difficult to determine which of these two strategies work best for the identified communities and whether one or both have comparable situations regarding land use relationships and development patterns that could be applied to Coos Bay. It just illustrates a different approach that could be considered within Oregon rather than the more distant cities of Tracy, CA, Puyallup, WA, and Boise, ID that the narrative references.

The applicant did provide a map (Attachment B) that identifies vacant buildings and undeveloped properties within the MP district that attempts to illustrate the location and extent of potential re-use and/or development of said properties. Staff conducted several visits to the area and concurs that there are a couple of existing commercial buildings that are under-utilized which the City would like to see put back into productive use. However, there are more undeveloped properties in the district than vacant buildings. Most of these

parcels (several of which are for sale) have demanding development issues such as steep slopes, difficult access, or physical isolation from the established medical-related uses of the district which makes full, optimal use challenging due to development costs. Although these are, empirically speaking, relatively more expensive development pieces, it is very difficult to ascertain the extent of additional costs to build on each property since it would depend on type, location, manner, and phasing of improvements and what constraints would be particular to each property.

Staff finds, based on both the reasoning and justification described above, that a speculative rationale exists for satisfaction of this criterion.

**DECISION CRITERION (b): The amendment complies with the applicable provisions of the comprehensive plan.**

**STATEMENTS OF FACT AND FINDINGS:**

- 2a. The City's Comprehensive Plan was updated in June 2010 during periodic review to reflect changes and demands for addressing a variety of planning, land use and community development issues that had emerged or re-defined themselves since the revised 1983 document has been in effect. Included in Goal 5, Cultural Environment, under-subsection 5.4 Public Facilities and Services, is a sub-category of Bay Area Health District.

The district is described as follows:

*"The advantages of creating this medical park have been to centralize medical and related facilities, increase efficiency and convenience to users, and create aesthetic quality in a park-like atmosphere.*

*The Bay Area Hospital is located on a 140-acre area that has traditionally been planned for hospital, medical and related facilities. This planned medical area is used by the hospital, two medical clinics, physicians' offices, a pharmacy, a dental office, a physical therapy office, and a psychiatric office.*

*The Bay Area Hospital District Board is now in the process of preparing a plan to improve the level of health and access to health services. Those inventoried needs that have a bearing on the city's land use plan are a lack of alternatives to institutional care (for instance, group care homes, home health agencies, homemaker services, foster home services, and day care services), a need for information and referral center, and better geographic distribution of general health care through small health care centers, primarily in rural areas".*

- 2b. The Comprehensive Plan also has a conclusive section called the Land Use Plan and Implementation Plan and has a citation of subsection 9.1 Coos Bay Land Use Plan 2000. This reference is described as follows:

***"Medical Park District***

*Objective 1 – The Medical Park District is intended to provide a park-like environment to accommodate the centralization of medical and medically-related facilities and services. Any new residential uses shall be associated with the medical facilities.*

*Rationale – The centralization of medical and medically-related facilities will provide increased efficiency and convenience to the user.*

*Implementation – The planned district which is zoned single family/duplex (R-2) shall be implemented by the piecemeal up-zoning of residential properties within*

*the planned area to zoning district, Medical Park District (MPD). Further development of the hospital campus should include, where feasible, plans to construct ingress and egress between the hospital and Woodland Drive.*

From this definition, the MP district is severely limiting in safeguarding the area against uses that are not related to or directly supportive of medical-associated services and facilities.

**CONCLUSION:** The Comprehensive Plan has a very well-defined concept of how the MP district was intended to function. The Development Code and its listings of permitted uses does reference the ability to utilize “appropriately located areas for desirable mixtures of medically related professional, limited complementary commercial, administrative business offices, and medically related multifamily residential uses” in the MP district, as cited under Decision Criterion (a), above. A broad interpretation of this language could suggest that limited commercial uses would be acceptable. However, there is no guidance on what those uses would be and whether allowing them is a function of specific type or size, or both. Based on these factors and findings, this criterion cannot be clearly and unequivocally determined.

## **VII. STAFF RECOMMENDATION**

**Based on the adopted Facts, Findings, and Conclusions, staff takes no position on the request and defers to the public hearing proceedings and the recommendation of the Planning Commission on item #187-ZON15-053.**

### **EFFECTIVE DATE OF DECISION:**

Consideration of this item will be made at a public hearing before the City Council on April 5, 2016.

DATE MAILED: March 1, 2016

cc: Dave Perry, DLCD  
Nhan Nguyen, applicant’s representative  
Connie Stopher, South Coast Development Council, Inc.

**ATTACHMENTS:**

- A. Application and narrative
- B. Applicant’s map depicting property vacancies
- C. City of Coos Bay zoning map
- D. City of Tualatin Medical Center Planning District
- E. City of Springfield Medical Services Zoning District
- F. Letter from South Coast Development Council, Inc.



Community Development • 500 Central Avenue • Coos Bay, Oregon  
 Telephone 541.269.1181 • Fax 541.269.8916 • coosbay.org

NOV 30 2015

**DEVELOPMENT REVIEW APPLICATION**

For Office Use Only	
STAFF CONTACT	PROJECT No(s). 187-ZON15-053

**Type of Review (Please check all that apply):**

- |                                                                |                                                                 |                                         |
|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> Annexation                            | <input type="checkbox"/> Lot Line Adjustment                    | <input type="checkbox"/> Subdivision    |
| <input type="checkbox"/> Appeal and Review                     | <input type="checkbox"/> Non-Conforming Lots, Uses & Structures | <input type="checkbox"/> Temporary Uses |
| <input type="checkbox"/> Conditional Use                       | <input type="checkbox"/> Partition                              | <input type="checkbox"/> Vacation       |
| <input type="checkbox"/> Floodplain Development                | <input type="checkbox"/> Planned Unit Development               | <input type="checkbox"/> Variance       |
| <input type="checkbox"/> Home Occupation                       | <input type="checkbox"/> Sign Review Permit                     | <input type="checkbox"/> Zone Change    |
| <input checked="" type="checkbox"/> Legislative/Text Amendment | <input type="checkbox"/> Site Plan and Architectural Review     | <input type="checkbox"/> Other _____    |

Pre-Application applications require a different application form available on the City website or at City Hall.

<b>Site Location/Address:</b> 2130 Thompson Rd. Coos Bay, OR 97420	Assessor's Map No.: 25S13W22CB
	Tax Lot(s): 25s13W22CBTL0290000
	Total Land Area: .59 Acres

**Detailed Description of Proposal:**  
 See Attached

<b>Applicant/Owner Name:</b> American Land and Cattle LLC / Member Clark Goodman <small>(please print)</small> Address: 1710 Willow Creek Circle City State Zip: Eugene, OR 97402	Phone: 541-852-4008 Email: chip.goodman@amcmmedical.com
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<b>Applicant's Representative:</b> Nhan Nguyen <small>(please print)</small> Address: 1710 Willow Creek Circle City State Zip: Eugene, OR 97402	Phone: 541-852-4008 Email: nhan.nguyen@amcmdecial.com
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- The owner/applicant or their representative should be present at all public hearings.
- A denial or approval may be reversed on appeal. No permit will be in effect until the appeal period has expired.
- Three (3) complete hard-copy sets (single sided) of application materials must be submitted with this application.  
 One (1) complete set of digital application materials must also be submitted electronically or on CD in PDF format.

The undersigned property owner(s) hereby authorizes the filing of this application, and authorizes on site review by authorized staff. I hereby agree to comply with all code requirements applicable to my application. Acceptance of this application does not infer a complete submittal. All amendments to the Coos Bay Development Code and to other regulations adopted after the application is approved shall be enforced where applicable. Approved applications and subsequent development is not vested under the provisions in place at the time of the initial application.

 Applicant's signature	11/19/15 Date	 Owner's signature (required)	11/19/15 Date
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### **Detailed Description of Proposal**

The property in question, 2130 Thompson Rd, is located in the city's Medical Park District. We have found that the allowed uses within that district have caused long standing vacancies and blight. When researching other cities with medical zoning, professional offices or professional services are often an allowed use or permitted with a conditional use permit. Tracy, California and Puyallup, Washington are both examples of professional services being an allowed use. Conversely, cities without a medical zone often have medical uses allowed with other professional services such as Boise, ID does in their "Neighborhood Office" zone. These zones help reduce blight by allowing for a broader range of complementary services within these districts. Other properties within the district such as the one located at 2590 Woodland have been vacant for over 3 years.

### **Excerpt from Coos Bay Comprehensive Plan: Appendix C pg. 8:**

#### **"Medical Park District**

The Medical park district is intended to provide a park-like environment to accommodate the centralization of medical and medically-related facilities and services. Apartments would be appropriate as "conditional uses" on the fringe of the medical park district. Implementation of the planned district is to be accomplished by the piecemeal up-zoning of residential properties within the planned area to "MP-D" (Medical Park District). Such rezones shall be allowed subject to the substantiation, among other required legal findings, that the requested medical or related use is not suited or more appropriately located on the undeveloped portion of the hospital campus administered by the Bay Area Health District. It is intended that this planned district be implemented in an orderly fashion where rezones are contiguous to existing medical park development. Further development of the hospital campus should include, where feasible, plans to construct ingress and egress between the hospital and Woodland Drive."

The proposed text amendment to include professional and medical services will not negatively impact the City's ability to continue to develop a centralization of medical services and to create a park-like environment for those who access it. In fact, this text amendment would enhance that effort. The overly narrow allowances in the zone are creating long standing vacancies which are attracting vagrants, decreasing property values, and detracting from the aesthetic appeal of the district.

With this in mind, we propose that there by a text amendment to allow for "Professional offices" within the Medical Park District.

X= Vacant \* = Building vacant for more than 1 year





Attachment C  
 Zoning map of MP district



Tualatin Development Code Chapter 56: Medical Center Planning District (MC)

Section 56.010 Purpose.

The purpose of this district is to provide care facilities, allied health care uses and limited supporting retail and service uses for the convenience of patients, patient visitors and staff.

Section 56.020 Permitted Uses.

No building, structure or land shall be used, except for the following uses when conducted wholly within a completely enclosed building, except for utility facilities and wireless communication facilities, and provided retail uses on land designated Employment Area, Corridor or Industrial Area on Map 9-4 shall not be greater than 60,000 square feet of gross floor area per building or business:

(1) Medical center:

- (a) hospital, including but not limited to diagnosis and treatment of sick and injured persons on an inpatient and outpatient basis; surgical, emergency, laboratory, imaging, pharmacy and physical therapy services; and facility maintenance, laundry, worship, food service and administrative functions,
- (b) offices of physicians and dentists,
- (c) offices and clinics of allied health care providers, including but not limited to nurse practitioners; midwives; dietitians; psychologists; opticians; physical and occupational therapists; occupational health/safety specialists; substance abuse counselors; chiropractors; and wellness centers including physical fitness facilities, nutritional counseling, health maintenance and rehabilitation services,
- (d) durable medical goods sales and rentals,
- (e) nursing school and other medical training facilities,
- (f) nurses' and house staff physicians' housing,
- (g) medical and dental laboratories,
- (h) medical and dental related research laboratories and testing facilities,
- (i) medical and dental nonprofit educational, charitable and research organizations and facilities,
- (j) congregate care facilities, assisted living facilities and residential facilities in accordance with TDC 56.080,

- (k) nursing and convalescent homes,
- (l) community meeting facilities, and
- (m) parking lot, parking structure, or underground parking.

(2) Supporting retail and service uses for the convenience of patients, patient visitors, staff physicians and on-site employees, subject to the requirements of TDC 56.090:

- (a) bank branch/automatic teller machine not greater than 1000 square feet of gross floor area,
- (b) barber/beauty shop not greater than 750 square feet of gross floor area,
- (c) child day care center not greater than 4000 square feet of gross floor area,
- (d) credit union not greater than 1000 square feet of gross floor area,
- (e) fitness center not greater than 15,000 square feet of gross floor area,
- (f) florist/gift shop not greater than 750 square feet of gross floor area,
- (g) pharmacy not greater than 2000 square feet of gross floor area, and
- (h) restaurant/delicatessen/coffee shop not greater than 1500 square feet of gross floor area.

(3) Sewer and water pump stations, pressure reading stations.

(4) Wireless communication facility attached.

(5) Other uses of similar character, found by the Planning Director to meet the purpose of this district, as provided by TDC 31.070.

(6) Transportation facilities and improvements.

City of Springfield Chapter 3.2-500 Medical Services Zoning District

**3.2-505 Establishment of the Medical Services (MS) District**

**A.** The MS District is established to provide for hospital expansion and health services development and for suitable, geographically dispersed areas for the development of hospitals, health services, and medical offices and associated medical residential facilities. These facilities shall be developed comprehensively and designed to ensure compatibility with the surrounding neighborhood.

**B.** The MS District may be applied in the vicinity of McKenzie-Willamette Hospital, as delineated in Section 3.3-1110 and to land designated Community Commercial, Major Retail Commercial, Mixed Use, Medium Density Residential or High Density Residential under the Metro Plan, provided that all or portions of these designated property abut and have direct access to a collector or an arterial street.

**C.** The MS District shall be applied to contiguous sites of 3 or more acres.

**D.** Unless the use is limited to the conversion of a single-family residence to a medically related use, the minimum development area shall be at least 1 acre. This means that phasing of developments shall occur in increments of not less than 1 acre.

**E.** A Traffic Impact Study prepared by a Traffic Engineer as specified in Section 4.2-105A.4. shall be required prior to the application of the MS District and prior to Site Plan approval.

**3.2-510 Schedule of Use Categories**

The following buildings and uses are permitted in this district as indicated subject to the provisions, additional restrictions and exceptions specified in this Code. Secondary retail uses shall be limited to 20 percent of the total gross floor area of all buildings on the site.

<i>Uses/Use Categories</i>	<i>MS District</i>
<b>Primary Uses</b>	
Hospital services	<b>P</b>
Medical clinics	<b>P</b>
Physicians services	<b>P</b>
Medical laboratory services	<b>P</b>
Dental services	<b>P</b>
Dental laboratories	<b>P</b>
<b><i>Uses/Use Categories</i></b>	<b><i>MS District</i></b>
<b>Primary Uses</b>	
Housing for the elderly and handicapped, independent of care facilities	<b>P</b>
Residential care facilities	<b>P</b>
Child care facilities that meet Children's Services Division (CSD) regulations	<b>P</b>
Adult day care facilities subject to any applicable State regulations	<b>P</b>
Certain Wireless Telecommunications Systems Facilities (Section 4.3-145)	<b>P</b>
Health Services	<b>P</b>
Medical Office Buildings	<b>P</b>
<b><i>Secondary Uses</i></b>	
Dispensing pharmacies	<b>P</b>
Prosthesis, hearing and speech aids sales and service	<b>P</b>
Home medical equipment rental and sales	<b>P</b>
Cafeterias, medical related recreational facilities, low impact public utility facilities, and heliports and helistops serving and constructed in conjunction with on-site development.	<b>P</b>

# Attachment F

*The South Coast Development Council's mission is to promote and support businesses that provide quality jobs through responsible development on Oregon's South Coast.*

February 25, 2016

City of Coos Bay Development Department

500 Central Ave

Coos Bay, Or 97420

FEB 26 2016



50 Central Avenue, Suite A  
Coos Bay, OR 97420  
541 266-9753  
FAX 541 267-2753

**RE: Text Amendment #187-ZON15-053 to allow professional services as a permitted use in the MP district**

To Whom It May Concern:

The South Coast Development Council would like to take this opportunity to voice our support for the proposed text amendment to allow professional services as a permitted use in the Medical Park (MP) district.

Medical Parks are a useful and needed zone in the City. Unfortunately, many of the lots and buildings have remained vacant for a significant amount of time. Vacant buildings lead to blight and deterioration making it difficult to market those locations, particularly to high-end users such as medical offices. There is currently demand for professional office space within the Coos Bay area. Expanding the use to allow for professional services in the Medical Park will enable small businesses to grow, will enhance the value of the buildings and lots within the medical park, reduce blight, and could potentially improve the access to services for those who work in the Medical Park.

The South Coast Development Council works with businesses to help them find locations in and around the Coos Bay area. On multiple occasions we have had to turn away professional tenants from locating in this zone. Allowing professional services to locate in the Medical Park will not prevent the expansion of medical services in the zone, but will enhance the professional feel to the district by helping to fill vacancies and support development within the district. In fact, many other cities allow professional services to locate within Medical Parks which helps to improve the desirability of the area.

The South Coast Development Council urges that you consider approving this text amendment which will improve the desirability of the Medical Park Zone, and will help grow local business.

Sincerely,

Connie Stopher

Executive Director

South Coast Development Council