



MEETING DATE: 8/18/08

ITEM NO:

14

COUNCIL AGENDA REPORT

DATE: AUGUST 14, 2008

TO: MAYOR AND TOWN COUNCIL

FROM: GREG LARSON, TOWN MANAGER

A handwritten signature of Greg Larson in black ink.

SUBJECT: ADOPT RESOLUTION TO ENCOURAGE THE PRESERVATION OF AND IMPROVEMENTS TO THE LOS GATOS COMMUNITY HOSPITAL

RECOMMENDATION:

Adopt resolution to encourage the preservation of and improvements to the Los Gatos Community Hospital.

BACKGROUND:

The Los Gatos Community Hospital (LGCH) site is owned by HCP, Inc., a real estate trust based in Long Beach, California. The current operator of the LGCH is Tenet Corporation, a national health care services provider.

A recent settlement agreement between HCP, Inc. and Tenet for several sites throughout the country included a termination of the current lease and operations agreement at LGCH next Spring, 2009.

Recent media coverage of this forecasted change has led to extensive community discussion and prospective development inquiries.

DISCUSSION:

Locally based hospitals provide an important community benefit which includes quality health care services to improve and maintain the health of people living, working, and visiting in Los Gatos. In addition, hospitals are a major source of employment for the community.

PREPARED BY:

A handwritten signature of Greg Larson in black ink.
GREG LARSON

Town Manager

GL:pg

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Reviewed by: _____ Assistant Town Manager OK Town Attorney
_____ Clerk Administrator _____ Finance _____ Community Development

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION TO ENCOURAGE THE PRESERVATION OF AND
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Existing General Plan Goals and Policies specifically reflect the value of hospital services for Los Gatos and apply to the retention of the Los Gatos Community Hospital:

HS.P.2.1 Encourage the retention of three nearby hospitals.

L.P.5.4 Encourage existing light industry and service commercial uses to remain or be replaced with similar uses.

L.P.5.6 Encourage development that maintains and expands resident-oriented services and/or creates employment opportunities for local residents consistent with overall land use policies of the Town.

In light of these goals and the benefits provided to the community, the Town of Los Gatos previously approved a modification of the prior conditional use permit (CUP) to significantly expand and upgrade the LGCH. Unfortunately, the modified CUP was not implemented by the property operator/owner resulting in its expiration last April. Substantial seismic and ADA improvements may be required on the site for compliance with State hospital regulations.

The Town has received multiple inquiries regarding the use and re-use of the LGCH site ranging from housing to construction of a new hospital.

Given the foregoing Council-approved General Plan Goals and Policies, it is recommended that any substantial change to the existing use, other than reapplication for the previously approved improvements and modifications, should be referred to the General Plan Update Process for consideration with the focus on increased youth and senior services.

CONCLUSION:

The Los Gatos Community Hospital should be retained and the Town should favor any proposed expansion under the previously approved master plan. Council adoption of the attached resolution is recommended to highlight and elevate the Town's commitment to retention of high quality acute hospital services and employment for Los Gatos residents, workers and visitors.

ENVIRONMENTAL ASSESSMENT:

It has been determined that the adoption of this resolution could not possibly have a significant effect on the environment. Therefore, the project is not subject to the California Environmental Quality Act (Section 15061(b) (3)). Environmental review will be required for any subsequent development proposal.

FISCAL IMPACT:

None.

Attachment: Draft Resolution

RESOLUTION

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
CONCERNING THE HOSPITAL CAMPUS PROPERTY
LOCATED AT 815 POLLARD ROAD

WHEREAS, the Town Council determines that it is necessary to establish certain development guidelines for future development of the hospital campus property (Exhibit A); and

WHEREAS, the Town Council determines that it is necessary to provide specific guidance to prospective owners and operators of this property; and

WHEREAS, the General Plan encourages the retention of hospitals and similar services; and

WHEREAS, it is highly beneficial to retain the use of the property as an acute care hospital which will continue to provide for the health care needs of the entire community.

THEREFORE, BE IT RESOLVED: the Town Council hereby declares its support for the continued operation of and needed improvements to Los Gatos Community Hospital as the only acute care hospital within the Town boundaries.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the ____ day of _____, 2008 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

