



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Mixed Neighborhood Overlay Development

DEPARTMENT: Development Services

PREPARED BY: Cristin Kenyon, Director of Development Services

PRESENTED FOR: **Action** **Information only** **Discussion**

RECOMMENDATION

Direct staff to develop a Mixed Neighborhood Overlay Zone to be incorporated into the City's Zoning Code.

FISCAL IMPACT

No Fiscal Impact Included in Budget Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

General Plan Policy LU-8.1: Collaboration. Encourage and empower members of the public from all segments of the community to participate in public decision-making processes and to collaborate with City leaders in planning decisions.

General Plan Policy LU-5.5: Existing Neighborhoods. Protect and enhance the integrity of Eureka's existing neighborhoods by...ensuring that new or renovated structures are compatible with the established character, development form, and function of the neighborhoods.

General Plan Policy LU-6.2: Infill First. Promote development of vacant infill properties and redevelopment/reuse of economically underutilized sites and buildings to accommodate new growth and internal densification prior to considering potential annexation.

General Plan Policy LU-1.7: Parcel Specific Considerations. Provide for potential variation in the application of City regulations and standards in consideration of unique parcel specific characteristics and/or limitations when new development and/or uses are proposed. Such variations may include: (1) further restricting General Plan and Zoning Code uses, policies, and standards when determined necessary to protect public health and safety and/or ensure compatibility with adjacent uses; or (2) relaxing such uses, policies, and standards when appropriate to enhance the feasibility of the proposed new development or use.

DISCUSSION

A new “Mixed Neighborhood” overlay could be adopted into the Zoning Code by Council to potentially utilize at the former Jacobs school site (Jacobs site) and/or elsewhere in the City in the future. The City’s Zoning Map assigns a base zoning district to every property in the City. Overlay zones can be applied to distinct geographic areas in addition to the underlying base zoning district to add special requirements, limitations, or enhanced flexibility on top of the base zoning district standards. The Mixed Neighborhood overlay could be applied in addition to a residential or mixed-use base zoning district to add “form-based” standards to ensure increased residential density and limited neighborhood-serving commercial uses proposed within or adjacent to predominately single-family neighborhoods are designed to be compatible in scale and character to single-family homes. If the Mixed Neighborhood overlay is adopted into the Zoning Code, then it can be applied to specific sites in the future through subsequent Zoning Map amendments.

Benefits of Overlay Development

Staff anticipates this planning effort would be beneficial for the following reasons:

- Potential application to the Jacobs site regardless of the results of the upcoming initiative: Regardless of what residential or mixed-use base zone is adopted for the Jacobs site and what uses that base zone allows, the Mixed Neighborhood overlay could be applied to ensure new residential and/or commercial development allowed by the base zone is sited and designed to fit with the existing neighborhood’s scale and character.
- Potential application elsewhere in the City: Such an overlay could also be applied elsewhere in the City in the future, potentially in conjunction with “upzoning” to a more permissive base zone, to allow more flexibility for additional dwelling units and limited neighborhood-serving commercial uses in and adjacent to existing single-family neighborhoods as long as the new development matches the form and scale of surrounding low-density homes and contributes positively to the public realm.

There is a housing crisis, and a great need and desire for a variety of housing options in walkable neighborhoods. Eureka, as a built-out City, will need to accommodate growth through infill. There is fear, especially among existing homeowners, that new infill development will detract from rather than contribute positively to neighborhood character. The Mixed Neighborhood overlay is a potential tool to help address this concern.

- Opportunity to review/strengthen objective design standards: The City’s Inland Zoning Code already has a number of objective design standards that are positively affecting the form of new development, such as requirements for surface parking to be located behind new buildings and landscaping to be located between the buildings and sidewalk. There is also a trend in state legislation to limit subjective, discretionary design review by appointed committees. For example, the City is already prohibited by the Housing

Accountability Act (California Government Code §65589.5) from denying a housing development project or reducing its density based on a subjective design standard. Given this trend, it's a good idea for the City to invest in reviewing our current standards and researching and developing new objective design standards as necessary.

- Opportunity to continue important community conversations and develop visuals to make planning and zoning concepts more approachable and understandable: It cannot be overstated how helpful visuals can be in communicating technical zoning information to community members and enabling community members to articulate their vision for Eureka's neighborhoods. At the Jacobs Town Hall this past January, Staff's attempts to discuss zoning density/intensity metrics such as dwelling units per acre and floor area ratio without illustrative graphics were understandably met with lots of questions and confusion. Staff anticipates any visuals developed for the Mixed Neighborhood overlay will be beneficial not just for the overlay effort, but in other communication efforts going forward. Having a conversation about housing issues as part of the public outreach process for the development of the overlay will be beneficial in and of itself, and developing visuals that are reflective of the local context will help with those conversations now and in the future.

Overlay Development and Adoption

Staff would hire a consultant with planning and graphic design expertise to help develop the overlay for an estimated cost of \$40,000, based on the following scope of work:

1. **Background research:** Identify successful examples from other cities of form-based zoning standards, and consider their various approaches to content, graphics, and organization/structure. The consultant will also have to review Eureka's existing regulatory framework and built environment in order to help develop a context-appropriate overlay zone.
2. **Community outreach and education:** Conduct outreach, including but not limited to creating a Talk Eureka webpage for the overlay effort and holding one or more community meetings. The Talk Eureka webpage would include a forum, survey and/or other tools for community feedback, as well as an FAQ for the project and visuals. Visuals could include annotated photographs of local examples of housing and mixed-use building types highlighting design features and development standards.
3. **Physical feasibility testing:** Review select neighborhoods in Eureka where the Mixed Neighborhood overlay could be applied to understand and document the existing built environment. One of the neighborhoods examined will be the neighborhood around the Jacobs site (Highland Park). Test various building typologies on typical parcels in Eureka, developing site layouts and 3D renderings.
4. **Draft the overlay:** Draft objective development and design standards and supporting visuals for the overlay to facilitate new development that seamlessly fits into existing neighborhoods.

Adopting the overlay into the Zoning Code would require noticed public hearings before the Planning Commission and City Council. City Council could ultimately approve, approve with modifications or deny the proposed amendment to the Zoning Code.

ENVIRONMENTAL

Development of a Mixed Neighborhood Overlay Zone to be incorporated into the City's Zoning Code is a "project" for the purposes of the California Environmental Quality Act (CEQA). However, pursuant to CEQA Guidelines §15061, there is a general rule CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty there is no possibility the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Adopting a new overlay zone into the Zoning Code with new form-based standards that can be applied to areas of the City in the future in addition to existing base zoning standards has no possibility to significantly affect the environment.