

Title:	Arwood Vacation Rental
Project:	Minor Use Permit MUP-23-0006
Location:	2604 I Street
APN:	011-042-002
Applicant:	Arwood Vacation Rentals (same as owners)
Property Owner:	Bernadette and Thor Arwood
Purpose/Use:	Vacation Rental – No Proprietor On-site
Application Date:	March 10, 2023
General Plan:	LDR – Low Density Residential
Zoning:	RI – Residential Low
CEQA:	Exempt under §15301, Class I Existing Facilities
Staff Contact:	Caitlin Castellano, Senior Planner
Recommendation:	Hold a Public Hearing; and Adopt a Resolution finding the project is exempt from CEQA and conditionally approving the application
Action:	<i>“I move the Planning Commission adopt a Resolution finding the project is exempt from CEQA and conditionally approving a Minor Use Permit for a vacation rental at 2604 I Street.”</i>

Figure 1: Location Map

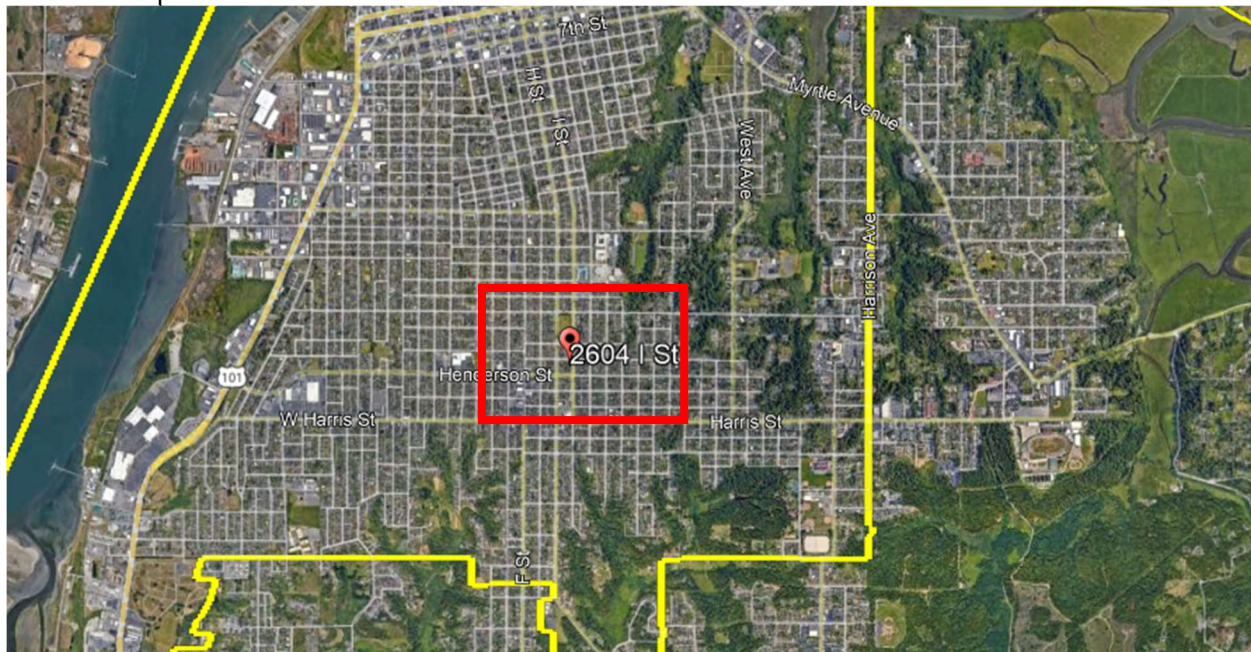


Figure 2: Vicinity Map



PROJECT SUMMARY

The applicant is proposing to utilize an existing single-family home as a Vacation Rental (VR) with no proprietor on-site in the Residential Low (R1) zoning district, which requires a Minor Use Permit (MUP).

REQUEST FOR PLANNING COMMISSION HEARING

On April 14, 2024, a Notice of Pending Action (NOPA) was mailed to property owners within a 300-foot radius of the site. The NOPA also described the process to request a public hearing before the Planning Commission. Subsequently, a public hearing was requested as a result of the NOPA mailing. Attachment 3 includes comment letters received as a result of the NOPA mailing. The concerns expressed generally pertain to lack of available housing for local residents, issues with previous occupants, and maintenance of the property. These concerns, except the issue related to previous occupants, are addressed below as they were in the original Director's staff report, and Attachment 4 includes letter from the applicant addressing some of the expressed concerns.

Figure 4: Street views [left photo looking at front of home (west) from I Street; right photo looking at rear off-street parking (southeast) from alley].



BACKGROUND

The 6,750-square-foot (sf) corner lot houses a three-bedroom, one bath, approximately 1,456-square-foot single-family home and approximately 600-sf detached garage. The subject property is surrounded by other single-family residential properties (RI zoning district), and Carson Park (PR – Parks and Recreation zoning district) is located to the north, across Carson Street. Per Eureka Municipal Code (EMC) §155.304.130, the maximum number of occupants is two persons per bedroom plus two additional persons. With three bedrooms, a total of eight occupants, not including children aged 12 and under, will be allowed. Two paved off-street parking spaces, accessed via the alley, will be available for guest use, but the detached garage will not be available for guest use. The designated emergency contact (the owner) lives in Eureka. Per the applicant, quiet hours are between 10 p.m. and 6 a.m., and no parties or events will be allowed. A dilapidated fence located adjacent to Carson Street, between the home and detached garage enclosing the backyard, was recently removed and will be replaced in the near future. Any new fence must adhere to the standard's in EMC §155.320 (Fences and Walls) and are permitted by-right, unless a Building Permit is required by the California Building Code, such as for fences over 7 feet tall.

ANALYSIS

To approve a Minor Use Permit, the Planning Commission must make all of the following findings:

Figure 3: Site Map



1. The proposed use is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council.

2. The site is suitable for the size, design, and operating characteristics of the proposed use.

3. The proposed use will be compatible with existing and planned land uses in the vicinity of the property.
4. The proposed use will not be detrimental to the public health, safety, and welfare.
5. The proposed use is properly located within the city and adequately served by existing or planned services and infrastructure.

I. Plan and Code Consistency

General Plan

The subject property has a Low Density Residential (LDR) land use designation. Pursuant to the City's adopted 2040 General Plan, vacation rentals are allowed in all residential zone districts and are thus allowed on the subject property.

The description of the LDR designation included in the 2040 General Plan indicates LDR designated areas allow for single-family detached and attached homes, accessory dwelling units, and compatible public/quasi-public uses, and are intended to be suburban in character and located in proximity to parks, schools and public services. The subject property is located in an established single-family residential neighborhood which is suburban in character. The proposed vacation rental will occupy an existing single-family home, consistent with that suburban character.

The subject MUP will allow use of the home as a short-term rental for up to eight occupants at a time, not including children age 12 and under, with space on-site to park two vehicles (accessed via the alley). Although the EMC allows vacation rentals up to six events per year, the applicant has indicated no parties or events will be allowed. Given the occupancy limit and other limitations on vacation rentals imposed by the EMC, the proposed short-term vacation rental use will be similar to surrounding long-term residential uses and will not affect the suburban character of the LDR-designated area. Staff has reviewed the 2040 General Plan, including the 2019-2027 Housing Element, and found the following relevant policies:

- i. Policy LU-5.5 (Existing Neighborhoods) Protect and enhance the integrity of Eureka's existing neighborhoods by: [...] (b): Supporting efforts to improve and maintain neighborhood appearance and the existing housing stock.*

The proposed vacation rental use does not require interior or exterior physical modifications to the property. An existing dilapidated fence used to enclose the backyard, adjacent to Carson Street, was recently removed and will be rebuilt in the near future. The proposed vacation rental will likely incentivize the property owner to maintain the property so it is a successful rental, and will generate revenue the owner can invest back into the property. Additionally, a permitted vacation rental can be utilized as both a short-term or long-term rental, thereby maintaining the neighborhood housing stock. Therefore, the proposed vacation rental use supports maintenance of the residence and the appearance of the neighborhood, and can be found consistent with Policy LU-5.5.

- ii. Policy E-6.3 (Year-Round Tourism Destination): Encourage increased year-round and multi-day tourism by promoting Eureka as a cultural-tourism destination rich in local architecture,*

history, dining, arts and entertainment and by promoting and developing Eureka as an ecotourism and adventure tourism destination with activities such as bay kayaking, the Eureka waterfront coastal trail, Zoo, and forested city-parks.

Vacation rentals provide a unique visitor experience, different from a standard hotel/motel room. Vacation rentals can be a more affordable vacation option, especially for extended stays and groups (e.g., cost savings on parking and meals), and can provide special amenities (e.g., yard space and washers/dryers). The proposed vacation rental will provide a three-bedroom lodging option, appropriate for families or small groups, located adjacent to Carson Park (50 feet) and 0.26 miles (approximately 5 blocks) from shopping and dining at Henderson Center, as well as 1.3 miles from Downtown, 1.5 miles from Old Town, and 1.4 miles from Sequoia Park. Thus, the proposed use will support Eureka tourism, consistent with Policy E-6.3.

- iii. Policy N-1.3 (Noise and Land Use Compatibility): Consider the compatibility of new development with the existing noise environment when reviewing discretionary proposals.*

The proposed vacation rental is limited to eight guests (two per bedroom, plus two extra), not including children age 12 and under. House rules include no parties or events and quiet hours between 10 p.m. and 6 a.m. Therefore, the proposed vacation rental use will not create noise levels different than surrounding residences or above the existing noise environment, and can be found consistent with Policy N-1.3.

- iv. Policy H-5.1 (Vacation Rentals): Balance the need for housing with the market for residential lodging by evaluating the impact of the number of full-unit rentals on residential availability. Consider establishing and maintaining a cap on the number of full unit vacation rentals in residential zone districts.*

Based on the 2017-2021 American Community Survey 5-year average, there are 12,089 housing units within the City of Eureka, and, according to City staff records, there are 68 legally authorized vacation rentals operating in the City under active business licenses. The City has hired a specialized consultant who has been monitoring short-term rental listing platforms since January 2020, and based on monthly data, the total number of vacation rentals (permitted and unpermitted) in the City has ranged from 98 to 163 rentals over the past two years. Given the total number of vacation rentals (both permitted and unpermitted) is less than 1.3% of the total number of housing units in the City, vacation rentals are not yet cumulatively having an impact on residential availability, and can be found consistent with Policy H-5.1. City staff is actively monitoring vacation rental activity, and the City Council has the ability to impose a cap on the number of vacation rentals without a proprietor on-site if and when cumulative impacts on residential availability are anticipated by Council (EMC §155.304.130.E).

Based on the discussion above, the finding can be made the proposed project is consistent with the General Plan.

Zoning Code (EMC Chapter 155) Consistency

The subject property is located in the Residential Low (RI) zoning district where “Vacation Rentals – No Proprietor On-Site” are allowed with a MUP (EMC §155.204.020). The specific

purpose of the RI zoning district is to “[contain] neighborhoods of single-family homes and accessory dwelling units in a moderately low-density setting, located in proximity to parks, schools, and public services.” As described in the General Plan consistency findings, the proposed vacation rental use will not affect the existing neighborhood character of the area. The proposed vacation rental will occupy an existing single-family home. The residential structure is legal non-conforming with regard to the 4-foot exterior side setback (along Carson Street), where the requirement for the RI zoning district (EMC §155.204.030) is 5 feet. The structure was constructed in 1922 prior to adoption of the City’s Zoning Code, and no change to the building footprint is proposed to allow the vacation rental use. The property does conform to maximum density, building height, floor area ratio, and site coverage standards. Therefore, the proposed vacation rental use is consistent with the RI development standards.

The Zoning Code also includes supplemental use regulations specific to vacation rentals (EMC §155.304.130) which proprietors must adhere to in order to minimize potential adverse impacts to the adjoining neighborhood, and the proposed use conforms with those regulations. For all these reasons, the proposed vacation rental can be found consistent with the Zoning Code.

2. Site Suitability

The 6,750-sf property contains a three-bedroom, one bath, approximately 1,456-square-foot single-family home with a fenced yard (once the replacement fence adjacent to Carson Street is installed). Two off-street parking spaces, accessed via the alley, will be available for guest use, but the detached garage will not be available for guest use. The proposed short-term vacation rental use, with a maximum occupancy of eight adults, is appropriate for this residential site.

3. Compatibility with Existing and Planned Land Uses in Vicinity

The subject property is located in an established residential neighborhood which surrounds three-acre Carson Park. Surrounding land uses include single-family residential and accessory dwelling units. The proposed use will be visually compatible with the surrounding residential uses because the vacation rental will be located within an existing three-bedroom home with no proposed changes to the structure. The limitations imposed by the City’s supplemental use regulations for vacation rentals will also ensure the proposed short-term vacation rental use will be visually and functionally compatible with the surrounding existing and future long-term residential uses in the vicinity.

4. Protection of Public Health, Safety, and Welfare

The designated emergency contact (the owner) lives in Eureka, and contact information will be provided to all neighboring properties within 200 feet of the site and to the Eureka Police Department. If the emergency contact is negligent in responding to emergency situations or the vacation rental is non-compliant with the aforementioned vacation rental standards, the City has a right to revoke the vacation rental permit. Thus, any issues with public health, safety, and welfare can be promptly addressed.

Referrals were sent to agencies and City departments with interest or jurisdiction over the property or the intended uses of the property. No comments were received indicating the proposed vacation rental use would be detrimental to the public health, safety, or welfare. No exterior or interior modifications will be made to the subject property. A condition has been added requiring the vacation rental be inspected prior to operation, to residential standards by

Development Services - Building to ensure the safety and welfare of the guests. For all these reasons, the project will adequately protect public health, safety, and welfare.

5. Properly Located and Adequately Served

The subject property is served by City water and sewer and all major utilities. As analyzed in the adopted 2040 General Plan Environmental Impact Report, the City has adequate utility capacity to serve existing and potential future development in the City envisioned by the General Plan, including short-term rental uses. The property is located in a single-family residential neighborhood structured on a traditional grid pattern of streets, and is located on the southwest corner of I Street, a one-way north bound major arterial, and Carson Street, a neighborhood serving street. H Street, a one-way south bound major arterial is one block west. The neighborhood allows for walking and biking, including sidewalks and a Class II Bikeway (bicycle lane) one block east on J Street.

Furthermore, the subject property has the advantage of being close to transportation, including Eureka Transit System bus stops within a few blocks on H, I, and J Streets, and goods and services with shopping and dining in Henderson Center 0.26 miles (approximately 5 blocks) away, or in Old Town and Downtown 1.5 and 1.3 miles away respectively. The property is in close proximity to recreational opportunities: 50 feet to Carson Park and 1.4 miles to Sequoia Park and Zoo. There are two off-street parking spaces available for use by guests.

For all these reasons, the proposed use is properly located within the City and adequately served by existing services and infrastructure.

ENVIRONMENTAL ASSESSMENT

The City of Eureka, as Lead Agency, has determined the proposed project is categorically exempt from the provisions of the California Environmental Quality Act. In accordance with CEQA Guidelines Section 15301, Existing Facilities, Class I consists of the operation, permitting, leasing [or] licensing of private structures involving negligible or no expansion of use. As there is no proposed expansion to the existing building, the proposed vacation rental use is exempt from the California Environmental Quality Act.

PUBLIC NOTICE

Public notification consisted of notification by mail of property owners within a 300-foot radius of the site on or before June 2, 2023. In addition, the notice was posted on the City's website and bulletin boards. A public hearing notice sign was posted on the site on June 2, 2023.

CONCLUSION

Based on the analysis above, the proposed Vacation Rental – No Proprietor On-site is consistent with the General Plan and Zoning Code. The proposed use is suitable for the site, and is compatible with existing and planned land uses in the vicinity. The use is not detrimental to the public health, safety, and welfare, and is properly located within the city and adequately served by existing utilities and infrastructure.

STAFF CONTACT

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DOCUMENTS ATTACHED

Attachment 1: Planning Commission Resolution 2023-____pages 8-9
Attachment 2: Applicant’s site planpage 10
Attachment 3: Comment letters received as a result of the NOPA.....pages 11-21
Attachment 4: Applicant’s comment and reference letterspages 22-26