

PLANNING COMMISSION

STAFF REPORT

February 14, 2023

Title:	ACGC Mixed-Use Development
Project:	Conditional Use Permit CUP-23-0010, Coastal Development Permit CDP-23-0013, and Variance V-23-0001
Location:	Northwest corner of Third and G Streets
APN:	001-091-009
Applicant:	ACGC Inc.
Property Owner:	Humboldt Development Company, LLC
Purpose/Use:	Construct four-story, mixed-use commercial and residential building
Application Date:	October 20, 2023
General Plan:	C-RC – Core Retail Commercial
Zoning:	CW – Waterfront Commercial
CEQA:	Exempt under §15332, Class 32, In-fill Development Projects
Staff Contact:	Cristin Kenyon, Director of Development Services
Appeal Status:	Not appealable to the Coastal Commission
Recommendation:	Hold a public hearing; and Adopt a resolution finding the project exempt from CEQA and approving with conditions.
Motion:	"I move the Planning Commission adopt a resolution finding the project exempt from CEQA and conditionally approving the Conditional Use Permit, Coastal Development Permit, and Variance for the ACGC mixed-use development at the northwest corner of Third and G Streets."

Figure 1. Location Map



Figure 2. Site Map



PROJECT SUMMARY

The applicant is proposing to construct a four-story, mixed-use commercial and residential building on a vacant lot on the northwest corner of Third and G Streets. The building will include 13 residential apartments above two ground-floor commercial retail spaces, with a total building floor area of 18,002 square feet (sf). The two first-floor commercial spaces will be 1,881 sf and 1,381 sf, respectively, or will be combined into one 3,262-sf space. The apartments will be a mix of studio, one

bedroom, and two-bedroom units, with three fully ADA-accessible units. The building will feature night-sky-friendly exterior lighting and rooftop photovoltaic solar power generation. Both short-term (on the sidewalk) and long-term (in the building lobby) bicycle parking will be provided.

The project site is located in the Coastal Zone in the Waterfront Commercial (CW) Zoning District. Pursuant to Eureka Municipal Code (EMC) §10-5.29113, residential units located above the ground floor of a commercial structure are allowed in the CW District with a conditional use permit (CUP). The tenants for the two first-floor commercial spaces have not yet been identified, by the applicant is also requesting a CUP to use the entire first floor as an office. Pursuant to EMC §10-5.2401(c), projects requiring a CUP must also obtain a coastal development permit. In addition, a variance is required because the project exceeds the maximum allowed floor area ratio in the CW District.

BACKGROUND

The project site has been vacant since the two-story Russ Market Building was destroyed by fire on December 8, 2006. The Russ Market building was constructed in 1880. The bottom floor was a meat and produce market, and the upstairs was a gathering hall. There was also office space at the front of the building. See Attachment 3 for a detailed history of the Russ Market Building.

The 4,460-sf subject parcel was previously part of a larger 10,890-sf parcel which also included the adjacent two buildings to the west (the two-story Joseph Russ Building and a single-story metal building on the alley), but was subdivided in 2021, to facilitate development of the vacant corner. Prior to subdivision, the entire site, including the Russ Market Building and the two adjacent buildings, was listed on the Local Register of Historic Places (LRHP) in October 2006, shortly before the Russ Market Building was destroyed by fire.

Although the Russ Market Building no longer exists, and the vacant land has since been subdivided from the adjacent historic Joseph Russ Building, the property remains on the LRHP, and thus review by the Historic Preservation Commission is required pursuant to Chapter 157 of

the EMC, §157.003(A)(1). The project is located within the Design Review Area and also requires Design Review. Pursuant to EMC §157.06(D), Design Review of a structure on a historically designated property is conducted by the Historic Preservation Commission. The Historic Preservation Commission unanimously approved (with two commissioners absent) the Historic Preservation Review HP-23-0012 and Design Review AA-23-002 for the project at their regular meeting on December 6, 2023 (the Historic Preservation Commission's resolution of approval has been included as Attachment 4).

The proposed project does not include off-street parking. Pursuant to EMC §10-5.1507, because the project is located in a parking assessment district, no parking is required for commercial uses and only one space is required per dwelling unit, for a total of 13 required spaces. However, California Government Code §65863.2 [added by AB 2097 (2021-2022)] prohibits a public agency from imposing or enforcing any minimum automobile parking requirements on a residential, commercial, or other development project if the project is located within one-half mile of a major transit stop as defined in §21155 of the Public Resources Code. Public Resources Code §21155 defines a major transit stop in part to include stops identified as major transit stops in the applicable regional transportation plan. On January 18, 2024, the Humboldt County Association of Governments amended the applicable regional transportation plan, VROOM 2022-2042, to include seven identified major transit stops, including the Eureka Transit Center at H and Third, less than 400 feet from the project site. As a result, the City is preempted by State Law from imposing any parking requirement on the proposed project.

USE PERMIT ANALYSIS

The applicant is requesting conditional use permit approval for 13 residential apartments proposed for the second, third, and fourth floors of the building and for the ability to use both ground-floor tenant spaces as an office. It is important to note that while the applicant is requesting the ability to use the ground-floor for a conditional office use, the two ground-floor tenant spaces may instead be occupied by principally-permitted visitor-serving uses such as restaurants or boutique clothing shops.

To approve a conditional use permit, the Planning Commission must make all of the following findings:

- (a) The proposed location of the conditional uses is in accord with the objectives of Chapter 5 and the purposes and intent of the district in which the site is located;
- (b) The proposed location of the conditional uses and the conditions under which they would be operated or maintained will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity;
- (c) The proposed conditional uses will comply with each of the applicable provisions of Chapter 5; and
- (d) The proposed conditional uses are consistent with the certified Local Coastal Program.

1. Code Consistency

Chapter 5 Objectives and Purpose and Intent of Zoning District

Table 1 includes an evaluation of the proposed conditional residential use’s consistency with the objectives of the Coastal Zoning Code (Chapter 5).

Table 1. Chapter 5 Objectives (EMC §10-5.102)		
	Objective	Analysis
(a)	To provide a precise guide for the physical development of the City in such a manner as to achieve progressively the arrangement of land uses depicted in the General Plan adopted by the Council.	<p>The subject parcel is located in the Core Retail Commercial (C-RC) Land Use Designation. The C-RC Land Use Designation is one of four multi-use designations in the Core Area. The Core Area designations specify primary and secondary uses for both the ground floors and upper floors of buildings “to not only allow, but to promote, the mixing of uses within buildings in the Core Area.” According to the 1997 Coastal General Plan, “the primary ground floor uses reflect the type of development that the City would prefer on the first floor of buildings facing the public sidewalk. The primary upper floor uses are those that the City would also like to encourage in the Core Area, but primarily above the street level in multi-story buildings.”</p> <p><u>Upper floor residences:</u> Multi-family residential is a listed primary upper floor use in the C-RC Land Use Designation. Therefore, the proposed upper floor apartments will help facilitate and achieve the arrangement of land uses depicted in the 1997 Coastal General Plan.</p> <p><u>Ground-floor office:</u> Offices are a primary upper floor use, but only a secondary ground-floor (street level) use in the C-RC Land Use Designation. According to the 1997 Coastal General Plan, secondary uses are intended to complement primary uses and do not themselves accomplish the City’s principal objectives for the designation. As a result, single-use projects consisting only of a secondary use are not allowed in the C-RC designation.</p> <p>Offices are not a primary use on the ground floor because the intent of the C-RC designation is to promote intensive retail commercial uses and to maintain the compactness of the visitor-serving retail area in the Core Area. In contrast to retail</p>

		<p>businesses, many offices are not open to the public, do not generate a lot of foot traffic, and lack visual interest for pedestrians (e.g., no enticing window displays). Offices also function just as well on upper floors where they don't compete with retail businesses which need a ground-floor, street-facing space to attract customers. Individually offices do not contribute to the visitor-serving atmosphere, but cumulatively they detract and result in a transition from a lively visitor-serving district to a quieter office district. The ratio of ground-floor retail to other ground-floor uses is already low in this southeastern section of Old Town (the adjacent Joseph Russ Building has conditionally permitted offices in both its storefronts).</p> <p>On the other hand, ground-floor offices can contribute positively to Old Town by providing a customer base for surrounding retail and service commercial uses, and by filling vacant tenant spaces (or in this case, a long-vacant lot), which are far worse for the visitor-serving atmosphere.</p> <p>Given the visually prominent location of the proposed development at the corner of Third and G Streets, and given the existing lack of retail intensity in this section of Old Town, there is a concern that allowing the ground-floor of the proposed new building to be entirely occupied by an office will be inconsistent with the objective of the land use designation to promote intensive retail commercial uses and maintain the compactness of the visitor-serving Core Area.</p> <p>A condition has therefore been added requiring the property owner to give priority to potential tenants proposing principally-permitted uses on the ground floor. The condition also requires that if Tenant Space A is used for an office, the front storefront area of Tenant Space A at the corner of Third and G Streets, including the space behind the corner entrance and two nearest windows (one on Third and one on G Street), must be occupied by an active, visitor-serving use such as</p>
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		<p>an art gallery or retail sales that (1) is prominently displayed and highly visible from Third and G Streets; (2) is regularly open to the public; (3) generates customer or visitor foot traffic; and (4) sells goods typically consumed on premises or carried away by customers, or services of a personal or recreational nature. Thus, as conditioned, the proposed ground-floor office conditional use facilitates and achieves the arrangement of land uses depicted in the 1997 Coastal General Plan.</p>
(b)	<p>To foster a harmonious, convenient, workable relationship among land uses.</p>	<p>The adjacent parcels to the west, north (across Opera Alley), and east (across G Street) include multi-story, mixed-use buildings with residences and offices above ground floor commercial spaces; the proposed project is consistent with this development pattern. Construction of the proposed project will have temporary impacts on surrounding uses, including increased noise levels and blockage of segments of right-of-way. To ensure impacts of such closures on surrounding land uses are minimized, Public Works - Engineering will require an encroachment permit and approved traffic control plan for any work conducted in the right of way. A condition has been added alerting the Permittee to this requirement. To reduce construction noise impacts on nearby residences, a condition has also been added limiting construction to standard work days (Monday through Friday) between the hours of 7:00 a.m. and 7 p.m. Finally, to prevent impacts on adjacent properties resulting from site runoff and drainage, a condition has been added requiring preparation of a construction-phase Erosion and Sediment Control Plan.</p> <p><u>Upper floor residences:</u> The proposed upper-floor residential uses will contribute to the customer base of the surrounding retail businesses in Old Town and Downtown and ensure the presence of people around the clock, which will have a positive impact on the safety and vibrancy of the area. The apartments will provide much needed market-rate housing to Old Town, and will not occupy prime</p>
(c)	<p>To promote the stability of existing land uses that conform with the General Plan and to protect them from inharmonious influences and harmful intrusions.</p>	

		<p>commercial ground-floor spaces. Residential apartments are relatively low-impact in that they do not generate significant amounts of noise, vibration, odors, fumes, or other inharmonious or harmful intrusions. Thus, the proposed upper floor apartments can be found consistent with objectives (b) and (c).</p> <p><u>Ground-floor office:</u> The potential impact of the proposed ground-floor office use on surrounding land uses is more complicated. As discussed under objective (a) above, there is a tipping point when the character of an area changes from a visitor destination to an office district. The two adjacent storefronts to the west in the Joseph Russ Building are occupied by a real estate office and radio station, while further west the Carson Block building storefronts include a printing press and gallery. There are surface parking lots across the street to the south and southeast, although a new multi-story, mixed-use transit center development is proposed to replace the surface parking lots south of Third between G and H Streets, which is proposed to have a number of ground-floor commercial spaces. The storefront in the Lindsay Building across G Street to the east of the project site is currently vacant, but there is a restaurant (A Taste of Bim) and retail shops located further east. North on G Street there is an artist studio and Carl's Car World in the storefronts of the St. Vincent de Paul building. If all of these spaces were converted to offices, this area may no longer feel part of the Old Town shopping district and there could be a cumulative effect on the balance of uses in the district. The presence of ground-floor visitor-serving uses (such as restaurants and art galleries) not only supports other visitor-serving uses in the area by helping concentrate such uses, but is also attractive to Old Town residents and office workers, and is a large part of the draw for residents and offices to locate in the area.</p> <p>However, unlike other recent CUP requests for ground-floor offices, the current project is creating</p>
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		<p>new ground-floor commercial space, rather than converting existing space from principally-permitted visitor-serving uses to office uses, and therefore will have an overall positive impact on the vibrancy of the area. Granting additional flexibility in use will also better ensure the new ground-floor tenant spaces are utilized. While the impact of a ground-floor office on the vibrancy of the area is less positive than a visitor-serving use, it is definitely superior to a vacant space. Therefore, with the addition of a condition requiring the property owner to prioritize potential principally-permitted tenants over offices, and requiring any ground-floor office occupying Tenant Space A to be operated in concert with an active, visitor-serving use in the front portion of Tenant Space A at the corner of Third and G Streets, the proposed conditional office use can be found consistent with objectives (b) and (c).</p>
(d)	<p>To ensure that public and private lands ultimately are used for the purposes which are most appropriate and most beneficial from the standpoint of the city as a whole.</p>	<p>The project site is a prime corner parcel in the heart of the City's Core Area that has been vacant since the Russ Market Building was destroyed in 2006.</p> <p><u>Upper floor residences:</u> Given the City's critical housing supply shortage, the proposed 13 conditionally-permitted apartments are extremely beneficial to the City as a whole. The Core Area is home to the highest job density (jobs per acre) in the five-county region. Increasing housing on infill sites near jobs and services can reduce vehicle miles traveled and the public costs associated with the provision of City services to residents. Thus, increasing housing in the Core Area is particularly beneficial to the City as compared to housing in less central, less dense, and less mixed-use locations. Thus, the proposed conditional residential use is consistent with this objective.</p> <p><u>Ground-floor office:</u> The proposed ground-floor office space is also beneficial to the City as a whole, since the office will be occupying a corner property that has been vacant since 2006, and Old</p>

		Town needs investment to maintain and increase its vibrancy. Thus, the proposed conditional office use is consistent with this objective.
(e)	To prevent excessive population densities and overcrowding of the land with structures.	The proposed scale and density are consistent with surrounding development which includes many buildings with similar floor areas and residential densities. The new building will be 54-ft tall, and surrounding buildings range in height between 30-60 ft, with the average height being roughly 42-ft. The proposed project does require a variance to allow a floor-area ratio (FAR) of 4 (18,002 sf of floor area/4,460 sf lot = 4) because the maximum FAR for the CW District is 2.5, but the 2040 General Plan Environmental Impact Report (EIR) anticipated changing the FAR in Old Town to 5, and found the City has adequate public facilities and services to accommodate that higher density. Thus, the proposed conditional uses will not result in excessive population densities and overcrowding consistent with this objective.
(f)	To promote a safe, effective traffic circulation system.	<p>The proposed project includes no off-street vehicle parking or loading, so the safety of internal traffic circulation is not an issue. The lack of off-street parking also prevents potential conflicts between pedestrians and vehicles which can occur as vehicles cross sidewalks to enter off-street parking spaces. To ensure traffic circulation on surrounding streets is not affected by on-street vehicle loading, a condition has been added requiring all tenants to direct pick-up/delivery vehicles to the alley at the rear of the building. Public Works – Engineering will require the full-width of the alley to be repaved for the entire frontage of the property as part of the building permit approval process.</p> <p>The proposed project will provide housing in the same multi-story building as office and commercial retail/service jobs, and thus contribute to a dense mix of uses in the City’s Core Area. Providing more housing near jobs and increasing density in the City’s Core Area is critical to reducing overall vehicle miles traveled. The less</p>

		<p>vehicles on the road, the safer and more effective the traffic circulation system will be. Thus, the proposed conditional residential and office uses are consistent with this objective.</p>
(g)	<p>To foster the provision of adequate off-street parking and off-street truck loading facilities.</p>	<p>The proposed project does not include off-street vehicle loading, but loading can (and is required to) occur via Opera Alley. The proposed project also does not include off-street parking, and the City is preempted by State Law (California Government Code §65863.2) from imposing any parking requirement, as discussed in the Background section of this report.</p> <p>The proposed uses will generate parking demand, but there is available parking for building occupants and visitors on surrounding streets and in nearby public parking lots. As shown in Figure 3, there are seven City-owned public parking lots within 600 feet of the project site.</p> <p>In 2022, TJKM Transportation Consultants delivered the “Old Town & Downtown Parking Study” (Parking Study) which looked at both on- and off-street public and private parking in the City’s Old Town/Downtown area, and found the Study Area (bordered by A, L, 1st, and 7th Streets) reached a maximum of 49% occupancy during peak hours. The Parking Study noted that 85 percent parking space occupancy is the practical threshold that indicates a healthy balance between supply and demand. The City has also performed parking counts in the City’s Old Town and Downtown parking lots each summer from 2011-2019 and in 2023. Similar to the Parking Study, the data suggests that the parking lots are not being fully utilized, and the summer of 2023 represented the lowest average utilization in the time analyzed.</p> <p>The Parking Study and counts indicate the City has a parking management issue rather than a supply issue, and the Parking Study identified numerous short- and long-term policy and management strategies to optimize existing parking supply,</p>

	<p>many of which the City is currently in the process of adopting.</p> <p>The City's program to sell or lease Downtown parking lots for affordable housing will result in the removal of 218 off-street parking spaces from the Study area, including the 82 spaces in the 2-parcel parking lot between G and H Streets on the north side of Third Street, kiddy corner to the project site. Pro Forma Advisors LLC analyzed the impact of this loss of parking in November 2023, and determined the total parking utilization in the Study Area would increase from 49% to 53%, and would continue to be well-below the optimal 85% utilization.</p> <p>Although the 2-parcel parking lot between G and H Streets will be replaced by an intermodal transit center with upper floor affordable housing, there are no plans for the other six lots within 600 feet of the project site. The future transit center is intended to integrate local and intercity bus service with carshare, rideshare, bicycle and pedestrian travel. A major transit stop already exists at the site of the future transit center and serves the Gold, Purple, Red, and Rainbow routes in Eureka. The bus stop at 4th and H also serves the Redwood Transit System and Southern Humboldt Intercity routes.</p> <p>The area is pedestrian-oriented with people parking once and visiting multiple destinations by foot. The area is also a business center where parking occupancy rates are higher during the day than at night when future residents will most likely be using parking spaces. Furthermore, to minimize impacts on parking availability, the project proposes and a condition of approval requires the provision of a bicycle storage room for building tenants inside the first-floor of the building. Thus, for all the reasons described above, the proposed project, including the proposed conditional residential and office uses, can be found consistent with this objective.</p>
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Figure 3. Public parking lots within 600 feet of the subject property (the project site and the 600-foot-wide radius are shown in yellow; public parking lots are shown in purple)



(h)	To facilitate the appropriate location of community facilities and institutions.	No community facilities or institutions exist or are proposed on the subject parcel. There is no current or anticipated interest in use of this site for a community facility or institution, and there is ample vacant and underutilized land in the Core Area to accommodate any future proposed community use. Thus, the proposed project, including the proposed conditional residential and office uses, can be found consistent with this objective.
(i)	To promote commercial and industrial activities in order to strengthen the city's tax base.	The proposed project promotes commercial activities by providing ground-floor commercial spaces onsite, and by creating new jobs and housing which can increase the customer base of surrounding commercial uses, and more generally, by investing in a commercial center. Thus, the proposed project, including the proposed conditional residential and office uses, can be found consistent with this objective.
(j)	To protect and enhance real property values.	The site is currently underutilized and the proposed redevelopment of the site will increase the intensity of use and contribute positively to property values. Thus, the proposed project, including the proposed conditional residential and

		office uses, can be found consistent with this objective.
(k)	To safeguard and enhance the appearance of the city.	<p>The project has already secured Historic Preservation Review and Design Review approval from the Historic Preservation Commission, who found the project appearance would not be ugly, inharmonious, monotonous or hazardous and would have a positive impact on the value of properties within the vicinity.</p> <p>The City's Core Area was established on a traditional street grid and is largely defined by the presence of historic, multi-story buildings with pedestrian-scale, highly-transparent storefronts lining the sidewalk and framing the street. While the proposed new building will have a modern style, it is consistent with surrounding buildings, including in terms of massing, height, orientation relative to the street, placement of doors and windows, and façade rhythm. The building will better frame Third and G Streets, and the ground-floor tenant spaces will add visual interest to the street frontages.</p> <p>Thus, the proposed project, including the proposed conditional residential and office uses, will safeguard and enhance the appearance of the City consistent with this objective.</p>

Purposes of the CW Zoning District

Table 2 includes an evaluation of the proposed conditional residential use's consistency with the purposes of the CW District.

Table 2. CW Zoning District Purpose Statements (EMC §10-5.29110)		
	Purpose Statement	Analysis
(a)	To encourage, protect and maintain coastal-dependent and coastal-related uses	No coastal-dependent or related uses currently occupy the site or surrounding sites and there is no interest in siting a coastal-dependent or related-use on this property or surrounding properties. The City has significantly more land reserved for coastal-dependent uses than current or anticipated demand, and there is ample vacant and underutilized land closer to the waterfront

		<p>that could accommodate any additional demand if it were to arise. Thus, the project, including the proposed conditional uses, can be found consistent with this purpose statement.</p>
(b)	<p>To encourage development of recreational and visitor-serving uses</p>	<p><u>Upper floor residences:</u> The upper floor apartments will provide customers for surrounding visitor-serving uses without occupying prime ground floor spaces consistent with this purpose statement.</p> <p><u>Ground-floor office:</u> No ground-floor tenants have been selected, but the applicant requests the flexibility to allow both ground-floor Tenant Spaces A and B to be occupied by a conditional office use in addition to principally-permitted recreational and visitor-serving uses. A condition has been added requiring the property owner to give priority to potential principally-permitted visitor-serving tenants. The condition of approval allows a conditional office use to occupy the less-prominent northern tenant space (Tenant Space B), or both Tenant Spaces A and B, but if both spaces are occupied by a conditional office use, the condition of approval requires the office to be operated in concert with an active visitor-serving use in the front storefront area of Tenant Space A at the corner of Third and G Streets, including the space behind the corner entrance and two nearest windows. The condition requires the active visitor-serving use to be prominently displayed and highly visible to pedestrians, be open to the public, generate customer or visitor foot traffic, and sell goods typically consumed on premises or carried away by customers, or services of a personal or recreational nature. Thus, as conditioned, the use of the ground-floor as an office can be found to encourage development of recreational and visitor-serving uses consistent with this purpose statement.</p>
(c)	<p>To provide appropriately located areas for retail stores, offices, service establishments, amusement establishments, and</p>	<p>The project will add two new ground-floor commercial spaces on a currently vacant lot in the heart of the Core Area which will be occupied by principally-permitted visitor-serving</p>

	wholesale businesses offering commodities and services required by residents of the city and its surrounding market area	commercial/recreational uses and/or a conditional office use. Thus, the project, including the proposed conditional uses, can be found consistent with this purpose statement.
(d)	To provide opportunities for retail stores, offices, service establishments, amusement establishments, and wholesale businesses to concentrate for the convenience of the public and in a mutually beneficial relationship to each other	The proposed project will increase the space available for commercial businesses and offices in the Core Area, further concentrating such uses for the convenience of the public. The proposed project will invest in the Core Area and add to the mix of uses, so that the proposed new uses will be mutually beneficial to each other and surrounding uses.
(e)	To provide space for community facilities and institutions that appropriately may be located in commercial areas	The project site is not needed for community facilities and institutions. See finding (h) in Table 1.
(f)	To provide adequate space to meet the needs of modern commercial development, including off-street parking and truck loading areas	The proposed project will not provide off-street parking and truck loading areas, but the project site is located in a parking assessment district where parking is largely provided on the street and in publicly-owned surface parking lots. The area is pedestrian-oriented with people parking once and visiting multiple destinations by foot. Loading will occur via the adjacent alleyway, just as it is for the adjacent Joseph Russ and Carson Block Buildings and many other buildings in the area. The proposed project, including the proposed conditional uses, can therefore be found consistent with this purpose of the CW zone district. See finding (g) in Table 1 for additional detail.
(g)	To minimize traffic congestion and to avoid the overloading of utilities by preventing the construction of buildings of excessive size in relation to the amount of land around them	The proposed building is an appropriate size consistent with the scale of the abundant historic buildings in the area. The 2040 General Plan EIR anticipated a maximum FAR of 5 in Old Town, and found that the City has adequate public facilities and services to accommodate that higher density. Thus, the proposed project (which will have a FAR of 4) will not overload utilities. The project has been referred to the Public Works Department and the site can feasibly be connected to surrounding utilities. Thus, the proposed project,

		<p>including the proposed conditional uses, will ensure adequacy of services.</p> <p>Regarding traffic congestion, the proposed project minimizes traffic generation and thus traffic congestion by adding commercial and residential density to the Core Area, increasing access to goods, service, and alternative transportation options. The proposed project also encourages fewer vehicle miles traveled by adding short-term bicycle parking along the sidewalk and providing a bicycle storage room within the building, and a condition has been added requiring that the bicycle storage room remain available to building tenants 24-hours a day for bicycle storage for the life of the development. Given the project location and this alternative transportation incentive, the proposed project, including the proposed conditional uses, will minimize traffic congestion consistent with this purpose of the CW zone district.</p> <p>See findings (e) and (f) in Table 1 for additional detail.</p>
(h)	To protect commercial properties from noise, odor, dust, dirt, smoke, vibration, heat, glare, heavy truck traffic, and other objectionable influences incidental to industrial uses	The proposed project will not introduce uses of an industrial nature that could create hazards or nuisances for surrounding properties. Therefore, the proposed project can be found consistent with purpose statements (h) and (i).
(i)	To protect commercial properties from fire, explosion, noxious fumes, and other hazards	
(j)	To encourage upgrading of the use of strategically located sites between the central business district and Humboldt Bay by creating an environment suitable for establishments catering to tourists	The proposed project will redevelop a site that has been vacant since 2006 with 18,002 sf of floor area, including 3,262-sf of ground-floor commercial space suitable for establishments catering to tourists. The structure will maintain a human-scale while providing space for additional residents, workers, and visitors, positively contributing to a vibrant, pedestrian-oriented environment attractive to visitors. As described elsewhere, a condition has been added requiring prioritization of visitor-serving uses on the first-floor and requiring an active, visitor-serving use in

		the front of Tenant Space A at the corner of Third and G Streets. Therefore, the proposed project, including the proposed conditional uses, can be found consistent with this purpose statement.
(k)	To protect and maintain certain industrial uses that require waterfront locations	The project is not proposed at a waterfront location.

2. Public Health, Safety, and Welfare

Referrals were sent to agencies and City departments with interest or jurisdiction over the proposed project. No comments were received that indicate the proposed conditional uses will be detrimental to the public health, safety, or welfare, or materially injurious to the properties or improvements in the vicinity. Humboldt County Division of Environmental Health (DEH) responded indicating any future retail food space would require review and approval from DEH, and requesting the solid waste storage area proposed on the alley-side of the building be adequately sized to hold not just trash and recycling, but also source-separated organics storage. A condition has been added alerting the applicant to these DEH comments. Because no other potential impacts were identified by other agencies, by City Staff, or through site investigation, Staff believes that a finding can be made that the proposed conditional uses will not impact the public health, safety or welfare.

3. Provisions of Chapter 5

The CW District has no minimum front, side, or rear yard setback requirements, a maximum building height of 100 ft, and a maximum floor area ratio (FAR) of 2.5 (i.e., 2.5 sf of building floor area for every 1 sf of lot area). The proposed development will cover the entire parcel with no setbacks from property lines and a maximum height of 54 ft, 8 in, consistent with the standards of the CW District. A variance is requested to allow a floor area ratio of 4 (18,002 sf of floor area on a 4,460-sf parcel; $18,002/4,460 = \sim 4$). Findings for approval of the requested variance can be found in the Variance Analysis section of this report.

Design review is required and has been approved by the Historic Preservation Commission. No signage is currently proposed, but future signage will be reviewed under an Administrative Sign Permit, or, if upper floor signage or deviations from sign standards are requested, a discretionary Creative or Master Sign Permit.

The Coastal Zoning Code requires thirteen off-street parking spaces for the thirteen residential units (EMC §10-5.1507); however, this local requirement is preempted by State Law (California Government Code §65863.2) because the project site is within one-half mile of a major transit stop identified in Humboldt County Association of Government’s Regional Transportation Plan (the major transit stop is less than 400 feet away at Third and H).

Because less than 4,000 sf of commercial space is proposed (there will be only 3,262 sf of commercial space), no off-street loading berth is required (EMC § 10-5.1603). Since there will be no parking lot associated with the structure, there is no landscaping requirement.

Chapter 5, Article 29, Part 11 (EMC §10-5.29110 et. sec) includes the purposes of the CW District (discussed in subsection 1, Table 2 above), and lists the district's permitted and conditional uses. In addition to the other findings required by EMC §10-5.2407 for the granting of a use permit, EMC § 10-5.29113 also requires the applicant to demonstrate, and the City to find, that the granting of a use permit in the CW zone district will not diminish recreational or visitor serving opportunities.

Any residential uses permitted in the Multi-Family Residential zone district are conditionally permitted in the CW zone district, provided the residential units are located above the ground floor of commercial structures (i.e., ground-floor residential is not allowed). The proposal to use the upper floors of the building for 13 apartments is consistent with this CW conditional use allowance. The residential use of the upper floors will not diminish recreational or visitor-serving opportunities because the residential units will occupy new space created by the new building and will not impact the concentration of recreational and visitor-serving opportunities at street-level. In addition, upper floor housing supports surrounding recreational and visitor-serving businesses by increasing their customer base (bringing people to the area that might eat or shop) and by increasing pedestrian activity and thus contributing to the area's sense of vibrancy and safety.

The impact of the proposed ground-floor office conditional use on recreational and visitor-serving opportunities is more complicated. The office will be occupying space that otherwise would be reserved for principally-permitted CW District uses which are limited to coastal-dependent, coastal-related, recreational, and visitor-serving uses. Once a use permit is obtained for the space to allow an office use, that use permit runs with the land, and future recreational and visitor-serving uses will be required to compete with offices for the ground-floor tenant spaces.

Business and professional offices are not typically used or visited by tourists while traveling or on vacation and are not what most people imagine or expect to see in storefront windows in Old Town, or other similar areas such as the Arcata Plaza and Main Street Ferndale. Offices do bring customers to Old Town who may eat or shop, but any benefit to nearby visitor-serving businesses from office workers and clients could be realized by locating visitor-serving uses in ground-floor space. As a result, offices are encouraged above the ground floor so that they do not compete with businesses like restaurants, retail shops, art galleries, and museums, all of which draw both tourists and locals to the area and make the area desirable for residents and office workers.

On the other hand, the site is currently vacant, and thus the project will not displace any existing ground-floor visitor-serving or recreational uses or reduce the concentration of tourist destinations in Old Town. By developing a long-vacant corner parcel, the project will contribute positively to the vibrancy of the area regardless of whether the ground-floor is occupied by a priority recreational/visitor-serving use or an office. Given the number of current vacancies in Old Town and the increasing struggles of brick-and-mortar retail in the age of online shopping, vacancy is a real threat. As a result, providing additional use flexibility will likely have a positive impact on the vibrancy of the area and its attractiveness to visitors in the long-term.

To address the potential impacts of ground-floor offices on recreational and visitor-serving opportunities, a condition has been added requiring the property owner to give priority to potential tenants proposing principally-permitted uses on the ground floor. The condition allows either Tenant Space B only, or Tenant Spaces A and B together, to be occupied by an office use, but requires that if both ground-floor tenant spaces are occupied together by an office use, the front storefront area of Tenant Space A at the corner of Third and G Streets, including the space behind the corner entrance and two nearest windows, must be occupied by an active visitor-serving use such as an art gallery.

For all the reasons described above, if the proposed variance is granted from the maximum FAR, the project as a whole, and the proposed conditional uses, as conditioned, can be found consistent with the provisions of Chapter 5.

4. Local Coastal Program

The Local Coastal Program includes the 1997 Coastal General Plan land use designations and map and the Eureka Municipal Code zoning district regulations and map, among other provisions. Consistency of the proposed conditional residential and office use with the purpose and standards of the zoning code and of the CW District is discussed above under subsections 1 and 3. Consistency of the proposed conditional residential use with the purpose and allowable uses of the C-RC Land Use Designation is also discussed above in subsection 1, Table 1, row (a). Based on the analysis above, the proposed conditional uses as conditioned conform with the land use designation and zoning district.

The Local Coastal Program also includes policies and development standards that apply to all development in the Coastal Zone regardless of district or land use designation. Consistency of the proposed project as a whole with these policies and standards of the Local Coastal Program is discussed in the Coastal Development Permit Analysis below. As discussed below, with the imposition of a number of conditions, the proposed project, including the proposed conditional uses, can be found consistent with the Local Coastal Program.

COASTAL DEVELOPMENT PERMIT ANALYSIS

The proposed project is located in the Coastal Zone in an area where certain types of development are categorically excluded from the need for a coastal development permit, including the construction, reconstruction, demolition, or alteration of the size, type or intensity of any development of a principally permitted use. Because the proposed project includes conditional uses, a coastal development permit is required from the City. Pursuant to EMC § 10-5.29310.1, to approve a coastal development permit, the Planning Commission must find that the proposed development conforms to the policies of the certified Local Coastal Program.

The Local Coastal Program is divided into two components: the Land Use Plan and Implementation Plan. The first component, the Land Use Plan, is the General Plan specific to land in the Coastal Zone. It outlines the existing conditions, permitted uses, and policies needed to achieve the goals of the Coastal Act and includes the general plan map.

1. Land Use Plan Analysis

The project site is designated C-RC – Core Retail Commercial. The purpose of the C-RC land use designation is to protect and provide for nearshore development of recreational, visitor-serving, and commercial fishing industry uses that relate to the presence of coastal resources. The consistency of the proposed conditional residential and office uses with the purpose of the land use designation is discussed above in subsection 1 of the conditional use permit analysis, Table 1, row (a). The building design will also be supportive of the visitor-serving character of the area, with pedestrian-scaled storefronts will large windows and transparent doorways lining the sidewalk.

Conformance of the proposed project with the applicable goals and policies of the Land Use Plan is discussed in Table 3 below.

Table 3. Land Use Plan Consistency Analysis	
Applicable Goals and Policies	Analysis
General Policies	
Goal 1.A. To establish and maintain a land use pattern and mix of development in the Eureka area that protects residential neighborhoods, promotes economic choices and expansion, facilitates logical and cost-effective service extensions, and protects valuable natural and ecological resources.	The proposed project promotes economic expansion through investment in the City's urban Core Area. By accommodating growth through infill of underutilized urban land, the project will avoid the need for new service extensions or conversion of resource lands. The project will also protect resources by providing housing near jobs and thus encourage less driving and associated demand for public motorized transportation infrastructure. Thus, the project reinforces a dense land use pattern that is consistent with Goal 1.A.
Priority Uses	
Policy 1.A.5. Within the coastal zone, the City shall ensure that coastal-dependent developments have priority over other developments on or near the shoreline. Except as provided elsewhere in this General Plan, coastal-dependent development shall not be sited in a wetland. Coastal-related developments shall generally be accommodated proximate to the coastal-dependent uses they support.	The project site is located on Third Street, three blocks and over 700 feet from the Humboldt Bay waterfront where there is no current or anticipated future demand for coastal-dependent uses. The project will create two ground-floor commercial spaces that could be used in the future for coastal-related uses. See Table 2, row (a) of the Use Permit Analysis section for additional analysis.
Adequacy of Services	
Goal 4.A. To ensure the effective and efficient provision of public	The proposed project involves infill development within a built out urban environment where public

<p>facilities and services for existing and new development.</p>	<p>facilities and services can be effectively and efficiently provided, consistent with Goal 4.A. See Table 2, row (g) of the Use Permit Analysis section for additional analysis.</p>
<p>Public Access and Recreation</p>	
<p>Goal 5.B. To provide public open space and shoreline accessways throughout the Coastal Zone, consistent with protecting environmentally sensitive habitats and other coastal priority land uses.</p>	<p>The Eureka Boardwalk and F Street Dock provide public access to the bay over 700 feet north of the project site. Project construction will require temporary closure of the adjacent sidewalks on Third and G Streets, but given the grid pattern of streets, there are many alternative routes to the waterfront that the public can take to avoid any temporary impacts to pedestrian or vehicular access from project construction. In addition, although there will be a temporary reduction in off-street parking in the immediate project vicinity, there is public parking available closer to the waterfront to serve coastal access facilities. To ensure temporary construction impacts on public access near the waterfront are minimized, a condition has been added clarifying that all work in the right-of-way will require an encroachment permit through the Public Works - Engineering. Thus, the project as conditioned will not interfere with the provision of public open space and shoreline accessways consistent with Goal 5.B.</p>
<p>Policy 5.B.4. The City of Eureka shall protect and enhance the public's rights of access to and along the shoreline, consistent with protecting environmentally sensitive habitats, by:...Allowing only such development as will not interfere with the public's right of access to the sea, where such right was acquired through use or legislative authorization.</p>	
<p>Visual Resources and Historic Character</p>	
<p>Goal 1.I To maintain the distinctive architecture, historic character, and landscape quality within the Core Area.</p>	<p>The proposed project is located in the Old Town Historic District which is listed on the National Register of Historic Places. A number of nearby buildings are also individually listed on the City's Local Register of Historic Places. Old Town is developed on a traditional grid street system with multi-story buildings with pedestrian-scale shops and storefronts, restaurants, bars, museums and cultural facilities, and offices and residential uses primarily above the first floor. The proposed project is consistent with this historic development pattern. Although the proposed building will have a modern aesthetic, it will respect the historic scale of the district, with a similar height, width, massing, and façade rhythm as surrounding older, more traditional buildings. Consistent with the surrounding historic</p>

	<p>architecture, the first floor will be built directly at the front of the property line with predominately transparent storefronts oriented to the street frontage, including a prominent corner entrance. The new construction will be modern and will not create a false sense of historic development. Thus, the proposed project will maintain the distinctive architecture, historic character, and landscape quality within the Core Area consistent with Goal 1.1.</p>
<p>Policy 5.B.1 The City shall provide public open space and shoreline access through the Coastal Zone, particularly along the waterfront and First Street, through all of the following: ...d. Consider and protect the scenic and visual qualities of coastal areas that are visible from scenic public vista points and waterfront walkways...</p>	<p>The proposed project will not block or otherwise obstruct any existing public views of the waterfront, and will not affect the visual quality of Old Town as viewed from the Eureka Waterfront Trail and other scenic public vista points, consistent with Policy 5.B.1(d).</p>
<p>Biological Resources</p>	
<p>Goal 6.A. To protect and enhance the natural qualities of the Eureka area's aquatic resources and to preserve the area's valuable marine, wetland, and riparian habitat.</p>	<p>The project site is located over 700 feet south of Humboldt Bay. The site is a previously developed parcel covered with minimal ruderal vegetation among remnant building foundation and surrounded by urban development. Nevertheless, the project's exterior lighting and stormwater runoff, along with other development along the City's urban waterfront, has the potential to cumulatively impact the bay.</p>
<p>Policy 6.A.3. The City shall maintain and, where feasible, restore biological productivity and the quality of coastal waters, streams, wetlands, and estuaries appropriate to maintain optimum populations of aquatic organisms and for the protection of human health through, among other means, minimizing adverse effects of wastewater and stormwater discharges and entrainment, controlling the quantity and quality of runoff, preventing depletion of groundwater supplies and substantial interference with</p>	<p>The application indicates the new building will feature night-sky-friendly exterior lighting and a condition has been added limiting all future exterior lighting accordingly.</p> <p>Both a construction-phase Erosion and Sediment Control Plan and a post-construction Stormwater Control Plan are required for the review and approval of Public Works - Engineering to ensure erosion and sediment control and pollution prevention measures are implemented during construction, and that stormwater is addressed for</p>

<p>surface water flow, encouraging wastewater reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.</p>	<p>the life of the development in a manner protective of the quality and hydrology of receiving waters, consistent with the Humboldt County LID Manual. Conditions have been added to alert the applicant to these requirements.</p> <p>No landscaping is proposed, but in case any planters are added to the site in the future, a condition has been added prohibiting invasive plant species and encouraging natives.</p> <p>Thus, the project as conditioned will be protective of the City's valuable marine, wetland, and riparian habitat consistent with Goal 6.A and associated policies.</p>
<p>Coastal Hazards</p>	
<p>Goal 7.B. To minimize loss of life, injury, and property damage due to geological hazards.</p>	<p>The project site is within a seismically active area in which large earthquakes are expected to occur during the lifespan of the development, but is not within an earthquake fault zone (Earthquake Zones of Required Investigation (ca.gov)) or a liquefaction or landslide hazard zone (Humboldt County Web GIS). SHN performed a geotechnical investigation for a previously proposed three-story building at the site in 2007, and, in a memo dated October 4, 2023, SHN provided updated geotechnical recommendations for the currently proposed four-story project in conformance with the 2022 California Building Code. A condition has been added to ensure the applicant is aware of the need for building permit review and approval prior to commencement of construction to ensure the project is properly engineered consistent with SHN's site-specific geotechnical recommendations.</p>
<p>Goal 7.D. To minimize the risk of loss of life, injury, damage to property and economic and social dislocations resulting from flood hazards.</p>	<p>The project site is located over 700 feet from Humboldt Bay, outside of the FEMA mapped floodplain and the tsunami evacuation area. The extent of the flood hazard area is expected to increase in the future with sea level rise, with median scenario values ranging from 1.8 to 7.3 feet of sea level rise by 2100 based on the 2024 Ocean Protection Council's State of California Sea-Level Rise guidance. The current 100-year Stillwater event at the North Spit tide</p>

	<p>gage is 10.2 feet in elevation (NADV88). With 7.3 feet of sea level rise, this 100-year water level could increase to 17.5 feet in elevation. The project site is at 27-30 feet in elevation (NAVD88), and thus is projected to be safe from flooding through 2100. Given the elevation of the site and its location a significant distance from a filled and developed shoreline, the project minimize risk to flood hazards consistent with Goal 7.D and associated policies.</p>
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Based on the discussion above, the finding can be made that the proposed project as conditioned conforms with the certified Land Use Plan.

2. Implementation Plan Analysis

The Implementation Plan includes zoning regulations and the zoning map for land in the Coastal Zone, as well as specific Coastal Zone ordinances necessary to implement the policies of the Land Use Plan. Discussion of the project’s conformance with the objectives of the zoning code and purposes and standards of the CW District are provided in the Use Permit Analysis section above.

In addition to specifying the regulations pertaining to specific zoning districts, the Implementation Plan EMC §10-5.2940 et. seq., specifies development standards that apply to all development in the Coastal Zone, including standards for public access, environmental resources, natural hazards, visual resources, public works, and new development. These standards largely reiterate certified LUP policies discussed in the LUP policy analysis above, and the applicable findings are incorporated as if set forth in full herein. There is one additional standard not covered under the LUP policy analysis above, which is EMC Section 10-5.2946.9:

<p>10-5.2946.9 Archaeological areas.</p> <p>a) When development is proposed within a known archaeological area, project design shall avoid or minimize impacts to the resource.</p> <p>b) When development in archaeological sites cannot be avoided, adequate mitigation measures shall be required. Mitigation shall be designed in accord with guidelines of State Office of Historic Preservation and the State of California Native American Heritage Commission. When, in the course of grading, excavation, or any other development activity, evidence of archaeological artifacts is discovered,</p>	<p>A project referral was sent to the Tribal Historical Preservation Officers (THPOs) of the Wiyot Tribe, the Bear River Band, and the Blue Lake Rancheria on November 21, 2023. The THPO of the Blue Lake Rancheria responded and requested inadvertent archaeological discovery protocol be included as a condition of approval. Consistent with IP §10-5.2946.9, a condition has been added subjecting ground disturbing activities to the City’s standard protocol for inadvertent archaeological discovery.</p>
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<p>all work which could damage or destroy such resources shall cease and the City Planning Director shall be notified immediately of the discovery.</p> <p>c) The City Planning Director shall notify the State Historic Preservation Officer and the Sonoma State University Cultural Resources Facility of the find. At the request of the State Historic Preservation Officer, development of the site may be halted until an archaeological survey can be made and appropriate and feasible mitigation measures are developed.</p>	
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Based on the discussion above, the finding can be made that the proposed project as conditioned conforms with the certified Implementation Plan.

VARIANCE ANALYSIS

A variance is required to allow a floor area ratio of 4 where the maximum floor-area-ratio for the CW zone district is 2.5. Pursuant to EMC §10-5.2501, the City is empowered to grant variances in order to prevent or lessen such practical difficulties and unnecessary physical hardships as would result from a strict or literal interpretation and enforcement of certain regulations. Cost to the applicant of strict or literal compliance with a regulation cannot be the sole reason for granting a variance.

To approve a variance for the FAR, the Planning Commission must make the following findings: That the granting of the variance will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity;

- (b) That the granting of the variance will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the same zoning district;
- (c) Granting of variances is consistent with and implements the certified Local Coastal Program, and that the granting of such variances does not reduce or in any way adversely affect the requirements to protect coastal resources, and that the variance implements the purposes of the zones adopted in implementation of the Local Coastal Program; and
- (d) One of the following:
 - a. That the strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary physical hardship inconsistent with the objectives of this chapter; or

- b. That there are exceptional or extraordinary circumstances or conditions applicable to the property involved or to the intended use of the property that do not apply generally to other properties classified in the same zoning district; or
- c. That the strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties classified in the same zoning district.

1. Public Health, Safety, and Welfare

Referrals were sent to agencies and City departments with interest or jurisdiction over the proposed project and no comments were received that indicate the proposed building density would be detrimental to the public health, safety, or welfare, or materially injurious to the properties or improvements in the vicinity. Because no potential impacts were identified by other agencies, by City Staff, or through site investigation, Staff believes that a finding can be made that the granting of the variance will not impact the public health, safety or welfare.

2. Grant of Special Privilege

Variations can be authorized for a property deprived of privileges enjoyed by other properties in the vicinity and under identical zoning classification, and is intended to bring the subject property up to parity, but must not amount to a grant of special privilege over and above those enjoyed by such other properties in the vicinity and zone.

From the 1860s through the 1950s, the project area was densely developed with three to five-story buildings with zero setbacks on an urban grid of 240-foot-long blocks bisected by alleyways. Many of these historic buildings remain in the CW District in the project vicinity, including many multi-story buildings with zero setbacks that exceed the district's maximum FAR of 2.5. For example, the Carson Block Building on the same block is three stories tall and approximately 60 feet in height, with zero setbacks from property lines. The Buhne Building, located to the northeast across G Street, is also three stories tall and approximately 45 feet in height, with zero setbacks from property lines. Therefore, the granting of the variance will not constitute a grant of special privilege inconsistent with the limitations on other nearby properties classified in the same zoning district.

It is also important to note that the project would not need a variance under the City's new 2040 General Plan and Inland Zoning Code (adopted in 2018 and 2019, respectively) which apply to similar Core Area properties located outside of the Coastal Zone (directly across Third Street to the south). The inland portion of the Core Area immediately south of the project site has been rezoned into a new Downtown District with a maximum FAR of 6, and the 2040 General Plan EIR anticipates the subject property being rezoned into a new Old Town District with a maximum FAR of 5. Thus, the proposed project is consistent with the limitations currently imposed on similar properties on the south side of Third Street outside of the Coastal Zone and is anticipated to be consistent with the future coastal zoning code update.

3. Local Coastal Program Analysis

The proposed additional FAR allows for increased density; and, increased density at this location is consistent with the C-RC Land Use Designation of the Local Coastal Program which calls for a

compact, pedestrian-oriented, economically robust central Core Area with concentrated development. Local Coastal Program Goal 1.I also calls for the maintenance of the basic scale and character of buildings and pattern of building siting in the Core Area. The subject variance is critical to allowing the proposed building to match the scale, massing, and zero setbacks of surrounding historic buildings. For instance, the proposed building could be taller with a smaller footprint (the maximum height in the CW District is 100 feet and the proposed building has a maximum height of 54 feet), but a taller building with a smaller footprint would be less in character with the surrounding buildings which are two- to four-stories tall with zero setbacks. In addition, the C-RC land use designation encourages residences to locate above the ground floor of multi-use developments, and the increased density and space provided by the proposed variance makes it possible to develop 13 residential units.¹ Thus, the granting of the proposed variance is consistent with and implements the certified Local Coastal Program.

The project site is already developed with an existing building and is located in an urban area over 700 feet from the Humboldt Bay waterfront. Potential coastal resource impacts of the proposed variance include potential impacts on visual resources (i.e., impacts on the visual character of the area) and impacts on public access parking.² As described above, the proposed variance is necessary to ensure the building's form is consistent with the visual character of surrounding historic properties. In addition, as described in detail in the Use Permit Analysis, the proposed project will not adversely impact the availability of coastal access parking near the waterfront, given that, 1) the level of demand for parking the project as conditioned is anticipated to generate; and 2) the existing available supply of public parking in the vicinity. As a result, the granting of the variance can be found to protect coastal resources.

4. Strict or Literal Interpretation/Practical Difficulty Inconsistent with Zoning Code Objectives
The strict or literal interpretation and enforcement of the FAR regulation would place constraints on the project that would make the project inconsistent with the objectives of the zoning code. The subject lot is small, making it difficult to construct a multi-story, mixed-use building with a 2.5 FAR that has enough floor area to be economically viable. A reduction in the FAR to meet the 2.5 maximum FAR could change the form of the development (scale, massing, relationship to the street) to reduce the ground-floor footprint in a way that would be detrimental to the pedestrian experience and incongruous with surrounding properties. This would be inconsistent with the zoning code objectives to achieve progressively the arrangement of land uses depicted in the General Plan; to foster a harmonious, convenient, workable relationship among land use; and to safeguard and enhance the appearance of the City. Another option would be to eliminate one or more floors of housing above the ground-floor. Given the City's critical housing shortage, this would not result in the most appropriate and beneficial use of the land, inconsistent with the code. As a result, a finding can be made that the strict or literal interpretation and enforcement

¹ The 1997 Coastal General Plan includes a goal to expand the residential population of the Core Area (Goal 1.F).

² Regarding visual resources, the LUP calls for consideration and protection of the scenic and visual qualities of coastal areas that are visible from scenic public vista points and waterfront walkways (Policy 5.B.1). Regarding public access parking, the LUP includes policies prohibiting development that would interfere with the public's right of access to the shoreline (Policy 5.B.4), and ensuring the provision of public access support facilities, including off-street parking, in the waterfront area (Policy 5.B.9).

of the specified FAR regulation would result in a practical difficulty inconsistent with the objectives of the zoning code.

Based on the discussion above, the findings required for a variance from the maximum FAR standard can be made.

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 (CEQA), in accordance with §15332 (In-fill Development Projects) of the CEQA Guidelines. The proposed mixed-use development project qualifies for a Class 32 exemption (§15332) from CEQA because: (1) the project site is less than five acres in size (approximately 0.10 acres); (2) the project is consistent with the LUP (i.e. General Plan) designation and policies, as well as all applicable IP (i.e. Zoning Code) designations and regulations; (3) the project is located within the City limits and surrounded by urban uses; (4) the project site has no value for habitat for endangered, rare, or threatened species; (5) approval of the project will not result in any significant effects relating to traffic, noise, air or water quality; and (6) the site can be adequately served by all required utilities and public services.

PUBLIC HEARING NOTICE

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

CONCLUSION

Based on the analysis above, the project as conditioned is consistent with the General Plan, Zoning Code, and Local Coastal Program. The project as conditioned is suitable for the site, and is compatible with existing and planned land uses in the vicinity.

STAFF CONTACT

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DOCUMENTS ATTACHED

Attachment 1: Planning Commission Resolution	pages 28-32
Attachment 2: Proposed plans	pages 33-47
Attachment 3: Other applicant submitted material	pages 48-67
Attachment 4: Historic Preservation Commission Resolution	pages 68-71