



AGENDA SUMMARY EUREKA CITY COUNCIL

TITLE: Parking Assessment District Parking Reduction or Removal

DEPARTMENT: Development Services - Planning

PREPARED BY: Kristen M. Goetz, Principal Planner

PRESENTED FOR: Action Information only Discussion

RECOMMENDATION

1. Hold a Public Hearing;
2. Adopt "A Resolution of the City Council of the City of Eureka finding the project qualifies for a Class 12 Surplus Government Property exemption from CEQA and authorizing the reduction or removal of public parking from the parking lot at 5th and D Streets to facilitate development of Affordable Housing Projects".

FISCAL IMPACT

No Fiscal Impact Included in Budget Additional Appropriation

COUNCIL GOALS/STRATEGIC VISION

2019-2027 Housing Element:

- IMP H-34: Affordable Housing on City-owned Properties.

DISCUSSION

The City's 2019-2027 Housing Element was originally adopted by the Eureka City Council on December 17, 2019, and certified by the California Department of Housing and Community Development (HCD) on March 16, 2020. The Housing Element was subsequently amended on October 18, 2022, and certified by HCD on November 10, 2022. The current 2019-2027 Housing Element contains seven (7) goals, 77 policies and 35 implementation programs, which were developed based on five (5) strategies, to stimulate the creation of housing within the City limits.

Housing Element implementation program *IMP H-34: Affordable Housing on City-owned Properties*, requires the City to release Requests for Proposal (RFPs) with the goal of developing at least 330 deed-restricted affordable units on 14 City-owned properties by 2028, in order to meet the goals of the 2019-2027 Housing Element. Additionally, this program implements the following policies of the 2019-2027 Housing Element: H-2.19 (Public Private Partnerships), H-6.1 (Safe and Stable Housing), H-6.2 (Prohibit

Discrimination), H-6.3 (Non-Profit Service Providers), H-6.4 (Fair Housing Choices), and H-7.2 (End Homelessness).

On July 10, 2020, the City released an RFP package to solicit affordable housing on the first three (3) City-owned sites pursuant to IMP H-34, and eventually, Linc Housing was selected by the City Council to provide affordable housing on all three sites in the RFP.

The City must now release an RFP inviting development on the remaining 11 sites, unless the City has a contractual agreement with a private developer to provide affordable housing on a listed site, or has sold a City-owned parcel to a developer.

Public Parking Reduction or Removal

The City is proposing to allow development on the City-owned 5th and D Street site currently developed as a public parking lot. Public Works – Traffic provided the following parking lot data for the site:

1. 5th and D Street (APN 001-103-003)
 - a. Number of parking spaces: 34 spaces.
 - b. Utilization rate: the highest occupancy rate in 2019 was 84%; in 2017 it was 68% and in 2016 it was 18%.

In order to maximize the available area on the site for development of affordable housing, a developer may desire to reduce or remove the on-site public parking. The determination of whether ground-level public parking will be preserved at a site needs to be made by the City Council on a site-by-site basis, prior to the release of the RFP.

Although this site has a high occupancy rate, it is not the highest among the parking lots included in the June 2022 Old Town and Downtown Parking Study. Nevertheless, reduction or removal of off-street parking will impact on-street parking. However, Public Works - Traffic has indicated the Parking Study shows there is ample on-street parking in the vicinity of the lot to accommodate the reduction or removal of the parking spaces. The site is also well served by alternative transportation options with easy access to bus stops, and bike lanes. While no off-street parking is required for new residential units which are deed restricted to households earning 80 percent or less of the Humboldt County area median income pursuant to Eureka Municipal Code Sec. 155.324 – Parking, alternative transportation options are also available, such as providing bus passes to tenants, and encouraging utilization of the City's bicycle facilities and other transportation options.

Although up to 34 parking spaces may be eliminated with this option, if the RFP process is successful, a minimum of 20 affordable units will be constructed on the site, and the City will promote active/collective modes of transport, such as walking, biking, transit and car shares, which can help the City meet greenhouse gas emission reduction targets. Further, given the nature of the proposed project, to provide new affordable housing, the overall benefit to the community should far outweigh any impacts created by the increased on-street parking demand.

The parking lot at 5th and D was purchased with funds from the City of Eureka's Parking Assessment District (PAD). The PAD was created in 1954 and encompassed most of the City's central business district. During that time, the City Council approved issuance of bonds for the acquisition and construction of off-street parking facilities, and in 1955, a bond was formally issued and the City began to acquire and develop parking lots. After several lots were constructed with bond funds, the City was then able to purchase more lots on a pay-as-you-go basis from surplus parking revenues. In 1964, after 8 parking lots¹ were developed, the bonds were retired. Although the PAD is no longer collecting assessments, any public parking lot purchased with funds from the PAD must go through a public hearing process prior to allowing a developer to reduce or remove the public parking.

Staff recommends allowing parking to be reduced or removed at the 5th and D Street site in order to achieve the best possible outcome of the RFP, which is to ensure development of affordable housing.

ENVIRONMENTAL

Approving the reduction or removal of parking from the 5th and D Street site will allow the City to declare the property surplus to facilitate future development of affordable housing as required by the 2019-27 Housing Element. The decision to declare property surplus, and the subsequent lease or sale of surplus property is a "project" pursuant to the California Environmental Quality Act (CEQA). However, pursuant to CEQA Guidelines, Categorical Exemption 15312 (Class 12) exempts the sale of surplus property except when the property is located in an area of "Statewide, Regional, or Area wide significance" as described in CEQA Guidelines Section 15206(b)(4). Section 15206(b)(4) states projects located within the Lake Tahoe Basin, the Santa Monica Mountains Zone as defined by Section 33105 of the Public Resources Code, the California Coastal Zone as defined in, and mapped pursuant to, Section 30103 of the Public Resources Code, an area within 1/4 mile of a wild and scenic river as defined by Section 5093.5 of the Public Resources Code, the Sacramento-San Joaquin Delta, as defined in Water Code Section 12220, the Suisun Marsh as defined in Public Resources Code Section 29101, or the jurisdiction of the San Francisco Bay Conservation and Development Commission as defined in Government Code Section 66610, are considered located in an area of Statewide, Regional, or area wide significance. The site is not located in any of the areas described in 15206(b)(4) and therefore, the reduction or removal of parking to allow the sale or lease of the property is exempt from CEQA pursuant to Guidelines Section 15312.

¹ NE corner of Eighth and G: 42 spaces; NW corner of Fifth and D: 40 spaces; N of Third between G and H: 80 spaces; NW corner of Third and D: 40 spaces; Third and I: 32 spaces; Third between F and G: 40 spaces; Second and H: 48 spaces; Second and D: 40 spaces.

REVIEWED AND APPROVED BY:

City Attorney
City Clerk/Information Technology
Community Services
Development Services

- Finance
- Fire
- Human Resources
- Police
- Public Works

Attachments:

Attachment 1. City Council Resolution