

RESOLUTION NO. 2024-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EUREKA FINDING THE EUREKA REGIONAL TRANSIT AND HOUSING CENTER (EARTH CENTER) PROJECT EXEMPT FROM CEQA; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A DISPOSITION AND DEVELOPMENT AGREEMENT WITH DANCO COMMUNITIES FOR THE PROJECT'S DEVELOPMENT

WHEREAS, the Eureka Regional Transit and Housing Center (EaRTH Center) project involves construction of a mixed-use, multi-story building on a 26,400-square-foot (sf), City-owned property on the south side of 3rd Street between G and H Streets (APNs 001-136-001 and 001-136-002); and

WHEREAS, the EaRTH Center will include a 3-to-5-story building with the ground floor primarily dedicated to an intermodal transit center for the Humboldt Transit Authority (HTA) with a number of individual leasable commercial tenant spaces fronting the street, and with the upper floors dedicated to up to 99 apartment-style housing units, all or the majority of which will be deed-restricted affordable; and

WHEREAS, on November 16, 2021, the City Council of the City of Eureka (Council) entered into a Memorandum of Understanding with HTA to collaborate on the development of the EaRTH Center project; and

WHEREAS, on February 1, 2022, Council declared the project site exempt from Surplus Land Act regulations pursuant to Government Code §37364, and on March 1, 2022 Council authorized the reduction or removal of public parking from the Parking Assessment District; and

WHEREAS, HTA was awarded a California State Transportation Agency 2022 Transit and Intercity Rail Capital Program (TIRCP) grant with up to \$10 million for the construction of the ground-floor intermodal transit center; and

WHEREAS, Danco would like to partner with HTA and the City for project development with the idea that once the EaRTH Center is constructed, a condominium subdivision will be executed to separate ownership of the affordable housing and associated amenities from the ground-floor intermodal transit center; and

WHEREAS, on May 1, 2024, HTA's Board adopted a resolution conditionally approving Danco as the developer for the EaRTH Center project, subject to the Eureka City Council confirming Danco as the developer, and conditionally authorizing commitment of TIRCP grant funds to Danco, subject to HTA's approval of the conceptual site plan for the ground floor; and

WHEREAS, once a Disposition and Development Agreement between the City and Danco is executed for development of the project, the EaRTH Center project will require

additional entitlements from the City prior to construction, including but not limited to Design Review and Building and Encroachment Permits; and

WHEREAS, on October 18, 2022, Council adopted an amendment to the City's 2019-2027 Housing Element (certified by the California Department of Housing and Community Development on November 10, 2022) which in part added the project site to Implementation Program IMP H-34 (Affordable Housing on City-owned Properties), assigning the project site a minimum of 20 housing units deed-restricted for very-low income households and 10 units for low-income households; and

WHEREAS, development of the EaRTH Center is a project subject to the provisions of the California Environmental Quality Act (CEQA); and

WHEREAS, Council certified an Environmental Impact Report ("EIR") on October 15, 2018 (State Clearinghouse #2016102025) in accordance with the provisions of CEQA and the CEQA Guidelines, which comprehensively evaluated environmental impacts that would result from implementation of the 2040 General Plan, including a buildout projection of up to 1,886 new residential dwelling units and up to 1.6 million square feet of non-residential uses; and

WHEREAS, Council also adopted a Statement of Overriding Considerations on October 15, 2018 in accordance with the provisions of CEQA and the CEQA Guidelines, which carefully considered significant and unavoidable impacts identified in the General Plan EIR related to air quality, vehicle miles traveled, and historic, archaeological, and tribal cultural resources, and found the significant environmental impacts are acceptable in light of the project's benefits of achieving the City's vision, enhancing quality of life and enriching community, focusing growth inward, meeting housing needs, protecting natural resources, improving mobility, and supporting economic development; and

WHEREAS, §15162 of the CEQA Guidelines generally states no subsequent EIR need be prepared for a project where an EIR has previously been prepared unless the lead agency identifies subsequent changes in circumstances that were identified and not previously analyzed or would create new significant environmental effects; and

WHEREAS, CEQA §21083.3(b) and CEQA Guidelines §15183(a) more specifically mandate that projects which are consistent with the development density established by existing general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site; and

WHEREAS, CEQA Guidelines §15183(b) further specifies the examination of environmental effects shall be limited to those effects that: (1) are peculiar to the project or the parcel(s) on which the project would be located; (2) were not analyzed as

significant effects in a prior EIR on the general plan with which the project is consistent; (3) are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan; or (4) are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR; and

WHEREAS, the City prepared an environmental checklist which concludes the EaRTH Center project is within the scope of the General Plan EIR and is consistent with the density limitations of the applicable Downtown Commercial Land Use Designation, and the project qualifies for streamlined environmental review under the General Plan EIR pursuant to CEQA Guidelines §15183; and

WHEREAS, pursuant to CEQA §21083.3(c) and CEQA Guidelines §15183(e)(2), Council must hold a public hearing on the §15183 exemption determination; and

WHEREAS, Council held a duly noticed public hearing at City Hall in the City of Eureka on June 4, 2024 at 6 p.m. in person in the Council Chambers and via Zoom to solicit public comment and consider the environmental effects of the project and take public testimony; and

WHEREAS, Council has considered the environmental analysis prepared for the EaRTH Center project along with the previously certified General Plan EIR, and after due consideration of all testimony, evidence, and reports offered at the public hearing, does hereby find and determine the following facts:

- A. The project qualifies for an exemption from additional environmental review pursuant to CEQA Guidelines §15183 because: (1) the project is consistent with the development density established by the 2040 General Plan for the project site; (2) there are no project specific effects which are peculiar to the project or its site, and which the General Plan EIR failed to analyze as significant effects; (3) there are no potentially significant off-site or cumulative impacts which the General Plan EIR failed to evaluate; (4) there is no substantial new information which results in more severe impacts than anticipated by the General Plan EIR; and (5) the project will undertake feasible mitigation measures specified in the General Plan EIR which will be implemented through project design, compliance with regulations and ordinances, and/or through project conditions of approval.
- B. The project also qualifies for a Class 32 exemption from CEQA as an infill-development project (§15332 of the CEQA Guidelines) because: (1) the project is consistent with the applicable 2040 General Plan land use designation and all applicable general plan policies as well as with applicable zoning designation and regulations; (2) the project will occur within city limits on a project site of no more than five acres substantially surrounded by urban uses; (3) the project site has no value, as habitat for endangered, rare or threatened species; (4) approval of

the project will not result in any significant effects relating to traffic, noise, air quality, or water quality; (5) the site can be adequately served by all required utilities and public services; and (6) none of the exceptions to the categorical exemptions set forth in CEQA Guidelines §15300.2 apply.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Eureka, that:

1. The EaRTH Center project is exempt from CEQA pursuant to CEQA Guidelines §15183 (Projects Consistent with a General Plan or Zoning) and §15332 (Class 32 Infill Exemption); and
2. The City Manager of the City of Eureka is authorized to enter into a Disposition and Development Agreement with Danco Communities for the development of the EaRTH Center project.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Eureka in the County of Humboldt, State of California, on the 4th day of June, 2024 by the following vote:

AYES: COUNCILMEMBERS
NOES: COUNCILMEMBERS
ABSENT: COUNCILMEMBERS

Kim Bergel, Mayor of the City of Eureka

Attest:

Pamela J. Powell, City Clerk

Approved as to Administration:

Approved as to form:

Miles Slattery, City Manager

Autumn Luna, City Attorney