

PLANNING COMMISSION
 STAFF REPORT
 August 14, 2024

Title:	Healy Building Ground Floor Use Authorization
Project:	Conditional Use Permit CUP-24-0003 and Coastal Development Permit CDP-24-0008
Location:	325 2 nd Street
APN:	001-052-005
Applicant:	Healy, LLC
Property Owner:	Healy, LLC
Purpose/Use:	Allow a variety of conditionally permitted commercial retail and service uses in the four ground-floor tenant spaces (two street facing-tenant spaces and two alley-adjacent tenant spaces) as well as conditionally permitted office and storage uses in the two alley-adjacent tenant spaces.
Complete Application:	June 25, 2024
Deadline for Action:	September 23, 2024
General Plan:	C-RC – Core Retail Commercial
Zoning:	CW – Commercial Waterfront
CEQA:	Exempt under §15301, Class I Existing Facilities
Staff Contact:	Millisa Smith, Associate Planner
Appeal Status:	Not appealable to the California Coastal Commission
Recommendation:	Hold a public hearing; and Adopt a resolution finding the project exempt from the California Environmental Quality Act (CEQA), and approving with conditions.
Motion:	<i>“I move the Planning Commission adopt a resolution finding the project exempt from CEQA and conditionally approving the Conditional Use Permit and Coastal Development Permit for the Healy Building ground floor use authorization.”</i>

Figure I: Location Map

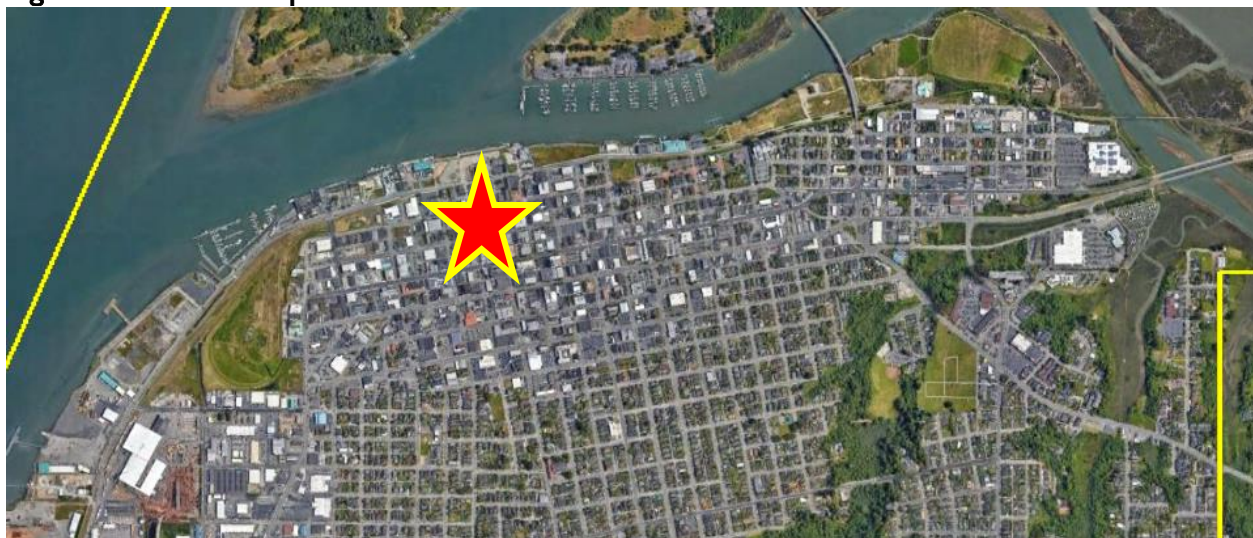


Figure 2: Site Map (Healy Building outlined in red)



PROJECT SUMMARY

Healy, LLC (the Applicant) is requesting authorization to expand the allowed uses for four separate ground-floor tenant spaces: two street-facing and two alley-adjacent, at the Healy Building located in the Commercial Waterfront Zone District (CW District) (Figure 1 of Attachment 2). In order to provide flexibility in allowed land uses in the future, the Applicant seeks a Conditional Use Permit (CUP) to allow administrative, business, and professional offices, except medical and dental offices, as well as warehouses (i.e., storage) in the two alley-facing tenant spaces, and also allow the following uses in all four ground-floor tenant spaces: arts and crafts schools, barber and beauty shops, food stores, furniture stores, neighborhood health clubs, interior decorating shops, massage and physical culture studios, music and dance studios, and musical instrument repair shops (all conditional uses). Because the project requires a CUP in the Coastal Zone, a Coastal Development Permit (CDP) is also required.

BACKGROUND

The Healy Building is a three-story, mixed-use building located in Old Town, on the north side of 2nd Street, between D and E Streets (Figure 2). The building is approximately 500 feet (ft) south of Humboldt Bay, separated from the bay by Snug Alley, Waterfront Drive, and three parcels also zoned CW of which one is developed with a parking lot and two are undeveloped. The Healy Building is located on a 6,600 square-foot (sf) parcel, and has a footprint that covers the entire parcel. No physical development is proposed at this time. A previous CUP (Permit No.

C-12-0004) was obtained in 2012 to allow for a hardware store on the ground floor of the building, and offices, except medical or dental offices, on the upper floors. Although the site is not listed on the Local Register of Historic Places, it is located within the Old Town Historic District, which is listed on the National Register of Historic Places, and the site is listed in the Green Book with a brief description: “three-story brick modified Classical Revival; alterations.”

According to City records, the original Healy Building was a wood structure constructed pre-1900, and in 1908 it burned down, at which time, the Healy brothers (John and Peter Healy) contracted with Knowles Evans to build the existing three-story brick building.

Figure 3: Google Street View from April 2019 (facing northeast)



The structure was significantly damaged in the 6.5 magnitude earthquake of January 2010. The City was going to schedule the building for demolition following the collapse of part of the east parapet, but then the current owner bought the site and subsequently renovated and seismically retrofitted it. During this renovation, the ground floor doorway (facing west towards the Gabriel Romano art installation) was added including an awning, lighting, concrete ramp and railing, and landscaping planters to accent the west-facing façade. The newly created west-facing entrance opens to a hallway which runs east/west through the building’s ground floor, and each of the four

ground-floor tenant spaces have access to the shared hallway and west-facing entrance. Additionally, a new front entrance was added to the eastern-most ground-floor storefront facing 2nd Street.

Since the existing brick building's construction, it has housed a variety of uses, including a men's clothing store, bicycle manufacturer, liquor distributor, cigar chop, roller rink, dance hall, Lazio's Restaurant, and Old Town Bar and Grill.

The ground floor of the building includes four tenant spaces, Suites 101, 102, 103, and 104 (Figures 1 through 5 in Attachment 2) as described below:

Suite 101 is a ground floor-street facing tenant space located in the southwest corner of the building with three eye-level windows facing to the west overlooking the pedestrian walkway between the Healy Building and the neighboring site to the west (Photo 1 of Attachment 3), a south-facing doorway that opens to the public sidewalk on 2nd Street, and large transparent windows facing 2nd Street (Figure 3). Suite 101 is currently occupied by **Siren Song Tavern**, a principally permitted use in the CW District, but based on City records, it appears this tenant is currently operating without an active Business License. A condition has been included requiring all ground-floor tenants to obtain an active Business License within three-months of the approval of this use permit.

Suite 102 is a ground-floor street-facing tenant space located in the southeast corner of the building with a doorway that opens to the public sidewalk and large transparent windows facing 2nd Street (Figure 3). Suite 102 is currently occupied by **Vida Sana Pilates Studio**, a physical culture studio which is a conditionally permitted use in the CW District that will be legally permitted upon approval of this CUP. Although Vida Sana applied for a Business License in March of 2024, the Business License application is on hold pending the approval of this CUP.

Suite 103 is a ground floor alley-adjacent tenant space located in the northwest corner of the building with three eye-level windows facing to the west overlooking the pedestrian walkway between the Healy Building and the neighboring building to the west (Photos 2 and 3 of Attachment 3). The suite is accessed through the transparent west-facing doorway which leads to the hallway shared by all ground-floor tenants (Figure 3 and Photo 4 of Attachment 3). This suite has two additional windows on the north-facing alley-adjacent side of the building which are positioned well-above eye level, approximately 6 ft off of the ground, and one opaque hinged street-level doorway which opens into Snug Alley (Photos 5 and 6 of Attachment 3). This suite is occupied by **Summit Funding**, a mortgage lending agency. This type of land use (Administrative, Business, and Professional offices [except medical and dental offices]) is a conditionally permitted land use typically allowed only on upper floors in the CW District. Upon approval of this use permit, Summit Funding will be able to legally utilize this tenant space. Based on City records, Summit Funding does not have an active business license and, as mentioned above, a condition has been included requiring all ground-floor tenants to obtain an active business license within three months of the approval of this use permit.

Suite 104 is a ground floor alley-adjacent tenant space located in the northeast corner of the building. The suite is accessed through the shared hallway and west-facing shared

entrance (Figure 3 and Photo 4 of Attachment 3). The suite includes one roll-top garage-style door adjacent to Snug Alley, one opaque hinged street-level door which opens to the alley, and aside from small accent windows above the roll-top door located well above eye-level, the interior of this suite is not visible from the exterior of the building (Photos 6 and 7 of Attachment 3). This suite is currently occupied by **storage for Radiant Living**, a tenant of one of the upper-floor suites of the building, who specializes in support services for developmentally disabled adults. Radiant Living has an active Business License. Storage of this nature is a conditionally permitted land use in the CW District (listed as “warehouses”) which will be legally permitted upon approval of this CUP.

The second and third floors of the Healy Building include five tenant spaces total which are currently all occupied by professional offices (permitted in 2012 as previously described above).

The site is surrounded by other historic and non-historic mixed-use buildings. Directly to the east, is the new building built and owned by Adams Commercial General Contracting, Inc (ACGC), which includes three ground-floor commercial uses (Good Relations, ACGC’s office and art gallery, and Tulip), residences on the second and third floors, and a roof top restaurant on the 4th floor (Rooftop). The site is bordered to the west by a pedestrian walkway connecting 2nd Street to Snug Alley. Parcel Map number 1762 (Book 15 of Parcel Maps, Page 93), prepared in 1980, indicates the 16-to-20-ft-wide by 110-ft-long parcel directly west of the site was dedicated as a public easement for pedestrian and utility purposes and all purposes incidental thereto (labeled “Parcel A” in Attachment 4). Directly west across the pedestrian walkway is the Gabriel Romano art installation, with the next adjacent two-story building to the west including a restaurant (Wok In Wok Out), and a vacant space once occupied by a bar. Across 2nd Street to the south, are two other large mixed-use buildings: the Imperiale Square Building and the Metropole Building, which are both occupied with visitor-serving commercial uses on the ground floor (Ciara’s Irish Shop, Schlueter Fine Art Gallery, Sisters Clothing Collective, and Humboldt Herbals, Nieves: Handmade Natural Body Care). Upper floors of the Metropole building are occupied by residential units. The second floor of the Imperiale Building includes other commercial uses, with the third and fourth floors containing residences. Directly north of the site across Snug Alley, is another mixed-use building with an office use on the ground floor and residences or vacation rentals on the upper two floors, with four tuck-under garages on the ground floor adjacent to Snug Alley. Directly northwest of the site across Snug Alley, is a City-owned public surface parking lot (Figure 4 below).

USE PERMIT ANALYSIS

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

1. The proposed location of the conditional use is in accord with the objectives of Chapter Five and the purposes and intent of the district in which the site is located;
2. The proposed location of the conditional use and the conditions under which it 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;
3. The proposed conditional use will comply with each of the applicable provisions of Chapter Five; and
4. The proposed conditional use is consistent with the certified Local Coastal Program (LCP).

I. Code Consistency

Chapter Five Objectives, Purpose, and Intent of Zoning District

The analysis below includes an evaluation of the proposed uses' consistency with the objectives of the Coastal Zoning Code (Chapter Five).

- (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.
- (b) To foster a harmonious, convenient, workable relationship among land uses.
- (c) To promote the stability of existing land uses that conform with the General Plan and to protect them from inharmonious influences and harmful intrusions.
- (d) 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.

Analysis: The site has a land use designation of Core Retail Commercial (C-RC). The intent of the C-RC designation is to promote intensive retail commercial uses and to maintain the compactness of the retail area in the Core Area. The designation emphasizes visitor-serving retail uses north of 3rd Street within the Coastal Zone where the subject property is located. Appendix B, Table B-1 of the 1997 General Plan and certified Land Use Plan (LUP) further specifies the purpose of the C-RC 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 1997 General Plan and LUP define visitor-serving facilities as “public or private developments that provide accommodations, food and services, including hotels, motels, restaurants, and commercial-recreation developments such as shopping, eating, and amusement areas for tourists.”

Table 1. Core Retail Commercial (C-RC)

	<i>Primary Uses</i>	<i>Secondary Uses</i>
<i>Ground Floor/ Street Level</i>	<i>Retail commercial (local and visitor) Restaurants/Bars Theaters Museums/Art Galleries</i>	<i>Offices Multi-Unit Residential Hotels and Bed-and-Breakfast Inns Artist Live-Work Space</i>
<i>Upper Floors</i>	<i>Offices Multi-Unit Residential Hotels and Bed-and-Breakfast Inns Artist Live-Work Space</i>	<i>Light Manufacturing/Assembly Storage</i>

The 1997 General Plan specifies primary and secondary uses for both the ground floors and upper floors of buildings in the C-RC (see Table 1 above). 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,” while “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... The secondary uses described under each designation for both the ground floor and upper floors complement the primary uses, but do not accomplish the City’s

principal objectives for the designation... The City will not allow single-use projects consisting of only secondary uses...”

Two ground-floor, street-facing tenant spaces:

The Applicant is requesting that the two ground-floor, street-facing tenant spaces in the Healy Building be allowed to be occupied by a variety of conditional uses to provide flexibility of use in the future: arts and crafts schools, barber and beauty shops, food stores, furniture stores, neighborhood health clubs, interior decorating shops, massage and physical culture studios, music and dance studios, and musical instrument repair shops. In response to the referral sent for the proposed uses, the California Coastal Commission responded with comments regarding how the Old Town area is one that the certified LCP has reserved to generally prioritize more coastal-related and coastal visitor-serving uses, and suggested a limited-time authorization for this use permit (Attachment 5). Although these proposed uses are considered more local-serving than tourist-serving and thus do not meet the definition of “visitor-serving”, they are commercial-retail and service uses (except arts and crafts schools). These uses will likely attract customers/clients to Old Town, increasing pedestrian activity and the customer base of other nearby visitor-serving uses.

For ground-floor, street-facing uses to be supportive of and not detract from the visitor-serving atmosphere, it’s important not only that the uses draw clients to Old Town, but also that their storefronts are engaging to visitors on the street. The Healy Building’s ground-floor street facing tenant spaces (Suites 101 and 102) have transparent storefronts that have the ability to engage visitors as long as the businesses occupying the storefronts are regularly open, and transparency is maintained, with interesting displays and/or activities visible through the storefront glazing. A condition has been added requiring businesses in the street-facing tenant spaces to meet these performance standards.

A few of the proposed conditional uses, like food stores, will likely be open to the general public, while others like health clubs and dance studios are more likely to require signing up for membership or a series of classes and therefore are less likely to be utilized by tourists. Tourist-oriented uses are often reliant on foot traffic and dependent on a ground-floor, street-facing storefront to survive and thrive, and there is a finite supply of street-facing tenant spaces in Old Town. While other types of uses (e.g., membership only uses) can attract clients to Old Town who may then eat or shop in the area, this same benefit can often be realized by siting these other types of uses above or behind the ground-floor, street-facing storefront where they do not compete with uses dependent on these limited, prime locations to be viable. As a result, a condition has been added requiring the property owner/manager to prioritize leasing the street-facing tenant spaces to businesses that are generally open to the public.

Development Services – Planning will determine whether a new use meets the required conditions mentioned above (i.e. interesting window displays, regular business hours) during review of the required Business License, and a separate condition has been included to ensure the proprietors of any existing or new use proposed at the site are aware of the requirement to obtain a Business License prior to operation.

Two alley-adjacent tenant spaces:

The Applicant is requesting the two alley-adjacent tenant spaces be allowed to be occupied by the same conditional uses as the two street-facing tenant spaces, as well as by administrative, business, and professional offices, except medical and dental offices, and warehouses (i.e., storage), approval of which would legalize the two existing tenants. The alley-adjacent suites have very limited transparency. Suite 104 has no windows and the interior of the suite is not visible from the exterior of the building. Suite 103 has three west-facing eye-level windows set back approximately 85 ft from 2nd Street and two additional alley-adjacent north-facing windows which are located far above eye level, thus, not appropriate for visual window displays meant to attract pedestrians. Although these uses are typically reserved for upper floors of mixed-use buildings, the two alley-adjacent ground-floor tenant spaces are not facing the public sidewalk and do not have any street-frontage, making office and storage uses in these spaces appropriate for the land use designation. Increasing flexibility of use in these rear tenant spaces helps avoid vacancy without impacting the visitor-serving atmosphere of 2nd Street.

For all the reasons described above, the proposed conditional uses, as conditioned, will help facilitate and achieve the arrangement of land uses depicted in the 1997 Coastal General Plan, will foster a harmonious, convenient, workable relationship among land uses, will not be an inharmonious influence or a harmful intrusion in the area, and will 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. Therefore, the proposed uses are consistent with Objectives (a), (b), (c), and (d).

(e) To prevent excessive population densities and overcrowding of the land with structures.

Analysis: The proposed conditional uses will not contribute to an increase in population densities, and will not cause overcrowding of land with structures, as any future uses allowed under this CUP will occupy existing commercial tenant spaces within a building located in a portion of Eureka's Core Area (Old Town) which, per the 1997 General Plan, "is the historical center of urban activity in Eureka and is the most intensely developed part of the City." Any employees of existing or future uses are/will more than likely be from the existing City population.

(f) To promote a safe, effective traffic circulation system.
(g) To foster the provision of adequate off-street parking and off-street truck loading facilities.

Analysis: The proposed conditional uses will be located in existing ground-floor commercial tenant spaces that are currently occupied with similar local-serving, visitor-serving, or office uses. The tenant spaces are primarily accessed from 2nd Street, with secondary access via Snug Alley, between 1st and 2nd Streets, and a pedestrian walkway on the west side of the building running north/south between 2nd Street and Snug Alley.

The proposed uses are not expected to have an impact on the existing traffic circulation system, as they will not result in a significant addition of employees or customers compared to the existing uses of the property. Since the site is fully built out, and is also in the Parking Assessment District, no off-street parking is required. Furthermore, California Government Code (CGC) §65863.2 states that if a project site is within 0.5-miles (mi) of a major transit stop (as identified in Humboldt County Association of Government's Regional Transportation Plan), the City is precluded from

requiring parking. A major transit stop was added to the regional transportation plan within 0.5 mi of the site (0.21 mi [as the crow flies] southeast at the corner of 3rd and H Streets). In addition,

Figure 4: Public Parking Lots Within 500 ft of the Subject Property (the project site is shown in yellow and the 500-ft radius is shown in orange; public parking lots are shown in blue)



there are a number of nearby public parking lots and available on-street parking surrounding the site. As shown in Figure 4 (below), there are eight City-owned public parking lots within 500 ft of the project site, none of which the City has plans to convert to other uses.

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, 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% parking space occupancy is the practical threshold which 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 and 2024. Similar to the Parking Study, the data suggests the parking lots are not being fully utilized.

The Parking Study indicated the City has a parking management issue rather than a supply issue, and identified numerous short- and long-term policy and management strategies to optimize existing parking supply, many of which the City is currently in the process of implementing.

Pursuant to EMC §10-5.1603(a), sites between 4,000 sf and 30,000 sf are required to provide one loading facility. There is no existing truck loading facility on site, and none is proposed as the building occupies the entire site. The building is adjacent to Snug Alley to the north, and in order to ensure loading/unloading for any conditional use allowed on site under this use permit will not affect traffic circulation on surrounding streets, the project is conditioned to ensure all loading and unloading activities occur within the alley. For all the reasons described above, the proposed uses are consistent with Objectives (f) and (g).

(h) To facilitate the appropriate location of community facilities and institutions.

Analysis: No community facilities or institutions are affected by the proposed use as no community facilities or institutions exist or are proposed on the subject parcel, and there is ample vacant and underutilized land in the area to accommodate any future demand for such uses. As a result, the proposed uses are consistent with this objective.

(i) To promote commercial and industrial activities in order to strengthen the City's tax base.

Analysis: The proposed uses will promote commercial activity in the City's Core Area by allowing a variety of land uses in four separate ground-floor commercial spaces, which will provide flexibility to ensure the tenant spaces remain occupied in perpetuity. Allowing use of the site with various local and visitor-serving uses for multiple businesses helps ensure the Applicant (property owner) will be able to continue to rent the space for commercial activities, strengthening the City's tax base. As a result, the proposed uses are consistent with this objective.

(j) To protect and enhance real property values.

(k) To safeguard and enhance the appearance of the city.

Analysis: The proposed uses will occupy existing commercial spaces which will result in continued maintenance of the building and will support the vibrancy of the Core Area. Three of the four existing ground-floor tenants are not principally permitted in the CW District. Granting of this use permit will allow for the existing tenants to operate legally, obtain business licenses, and remain tenants of the building. Thus, the existing and proposed uses protect and enhance property values, and safeguard and enhance the appearance of the City, consistent with Objectives (j) and (k).

Purposes of the CW District

In addition to the objectives prescribed in EMC §§10-5.102 (Objectives) and 10-5.2902 (Objectives and Purposes), the CW District is included in the zoning regulations to achieve the following purposes:

- [a] To encourage, protect and maintain coastal-dependent and coastal-related uses;**
- [b] To encourage development of recreational and visitor-serving uses;**
- [c] To provide appropriately located areas for retail stores, offices, service establishments, amusement establishments, and wholesale businesses offering commodities and services required by residents of the city and its surrounding market area;**
- [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 mutually beneficial relationships to each other;**
- [e] To provide space for community facilities and institutions that appropriately may be located in commercial areas;**
- [f] To provide adequate space to meet the needs of modern commercial development, including off-street parking and truck loading areas;**
- [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;**
- [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;**
- [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; and

[k] To protect and maintain certain industrial uses that require waterfront locations.

No coastal-dependent or related uses currently occupy the site or surrounding parcels; further north across 1st Street (Waterfront Drive) are existing coastal-dependent and related uses (Jack's Seafood, Coast Seafoods, Pacific Seafood, and Madaket Harbor Cruises); the building is not directly on the waterfront; and the City has significant vacant waterfront land, including ample underutilized space reserved for both coastal-dependent industrial uses and coastal recreational uses (Purpose [a]).

The variety of proposed uses will provide greater flexibility of use to ensure ongoing occupancy of four existing ground-floor tenant spaces in the CW District. The ground-floor alley-adjacent tenant spaces will provide customers for surrounding visitor-serving uses without occupying street-facing, ground-floor spaces. As described in detail in the finding for Objectives (a) – (d) in subsection I of the Chapter Five consistency analysis above, the conditional uses proposed for the two street-facing tenant spaces are predominately commercial-retail and service uses which generate customer foot traffic, but do not meet the definition of visitor-serving because they are the types of uses more traditionally thought of as catering to locals (i.e., neighborhood-serving) rather than tourists. Conditions have been added to ensure priority is given to uses that are generally open to the public (so they are available to tourists), and to ensure any proposed conditional uses contribute to an active pedestrian realm by being regularly open (at least 35 hours per week), participating in major Old Town events, retaining a relatively transparent storefront, and featuring interesting displays/activities visible from the street. Allowing flexibility of land uses will ensure the ground-floor tenant spaces remain occupied, with the street-facing tenant spaces only allowed uses which will generate foot traffic and providing visually-interesting and active storefronts, and therefore will support surrounding priority visitor-serving and recreational uses (Purposes [b], [c], [d], and [j]).

The site is not needed for community facilities and institutions (see finding for Objective (h) in subsection I of the Chapter Five consistency analysis above) (Purpose [e]).

As described in detail above in Objectives (f) and (g) of the analysis for Chapter Five consistency, the proposed uses are not required to provide off-street parking and truck loading areas, and the building is located in the 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. The project is conditioned so loading will occur via Snug Alley (Purpose [f]).

The site is 100% built out and has been since 1908, and no new tenant spaces, construction, or utility connections are proposed, thus no impact to the existing utility systems or surrounding land will occur (Purpose [g]).

The proposed conditional uses will not produce noise, odor, dust, dirt, smoke, vibration, heat, glare, heavy truck traffic, and other objectionable influences, and will not create a fire, explosion, noxious fume, or other hazards because they will not introduce uses of an industrial nature that

would create hazards or nuisances for surrounding properties. EMC §10-5.29111 outlines the required conditions for the CW District, which precludes projects in the CW District from activities which would be hazardous to neighboring residents or employees (Purposes [h] and [i]).

The site is not a waterfront location (Purpose [k]).

Based on the above discussion, and the analysis found in subsection I of the Chapter Five consistency analysis above, the proposed conditional uses meet the purposes of the CW District.

2. Public Health, Safety, and Welfare

Referrals were sent to agencies and City departments with interest or jurisdiction over the property or the intended use of the property. Comments were received from the California Coastal Commission regarding the prioritization of visitor-serving and coastal related uses (Attachment 5), and that comment is addressed above in the use permit analysis subsection I. No comments were received which would indicate the proposed conditional uses would be detrimental to the public health, safety, or welfare, or materially injurious to the properties or improvements in the vicinity. Therefore, based on the discussion herein, the finding can be made the project will not impact the public health, safety, or welfare.

3. Provisions of Chapter Five

The applicable provisions of Chapter Five include the development standards for yards; building height, size, and bulk; off-street parking and loading; landscaping; etc. The proposed uses will be located in an existing building which meets all applicable development standards except two: 1) maximum Floor Area Ratio (FAR) (the maximum FAR for the CW District is 2.5 [250%]; the existing three-story building has a FAR of 3.0 [300%]); and 2) off-street loading (one loading birth is required for structures between 4,000 and 30,000 sf and the building has no loading birth). However, the building is a continuing legal non-conforming structure established prior to the adoption of the existing Coastal Zoning Code, and it will not be made more non-conforming by the proposed conditional uses. No building additions or exterior modifications are proposed. Additionally, no new off-street parking is required or proposed by the Applicant. No signs are currently proposed, but any future non-exempt sign(s) must meet the sign regulations in EMC Article 17 (Signs), and will require an Administrative Sign Permit. Therefore, a condition has been added alerting the Applicant of the need for any tenant to obtain an Administrative Sign Permit if any signs are proposed in the future. The previously

Figure 5: Multi-Tenant Sign



Figure 6: Healy Brothers Building Sign



approved CUP for the upper floor office uses and hardware store from 2012 (C-12-0004) included a condition of approval alerting the Applicant to the requirement for Design Review and a Sign Permit prior to the installation of any signs. The existing multi-tenant sign (Figure 5) on the building's west-facing façade and the "Healy Brothers Building" sign (Figure 6) on the south-facing (2nd Street) façade were both installed sometime between 2012 and 2017 without the benefit of permits or review. Pursuant to EMC §10-5.1707.3 (Master Sign Permit), sites with tenant spaces above the first floor or any non-residential building with three or more tenants may request approval of a Master Sign Permit, which helps provide a coordinated approach to signage for large sites or buildings with multiple tenants. In order to legalize the existing signs on site, a condition has been included requiring the property owner obtain a Master Sign Permit within six months of the CUP approval.

4. Local Coastal Program

The LCP 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 uses with the purpose and standards of the Coastal Zoning Code and of the CW District is discussed above under subsections 1 and 3. Consistency of the proposed conditional uses with the purpose and allowable uses of the C-RC land use designation is also discussed above in subsection 1 under the finding for Objectives (a) – (d). Based on the analysis above, the proposed uses as conditioned conform with the land use designation and zoning district.

The LCP 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 LCP is discussed in the CDP analysis below. As discussed below, with the imposition of a number of conditions, the proposed conditional uses can be found consistent with the LCP.

COASTAL DEVELOPMENT PERMIT ANALYSIS

To approve a CDP, the Planning Commission must find the proposed development conforms to the policies of the certified LCP. The LCP is divided into two components: the Land Use Plan (LUP) and the Implementation Plan (IP). The first component, the LUP 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.

I. Land Use Plan Analysis

The project site is designated C-RC. 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 uses with the purpose of the land use designation is discussed above in subsection I of the CUP analysis under the finding for Objectives (a) – (d).

Staff reviewed the goals and policies in the certified LUP to determine whether the project conforms to the LUP. The review found the project does not conflict with any adopted LUP goals or policies. Conformance of the proposed project with the applicable goals and policies of the LUP is discussed below.

Relevant Land Use and Community Design Goals

Goal I.A: Land Use and Development Framework – 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.

Goal I.E: Core Area: Tourism – To expand and enhance the Core area as a tourist destination.

Goal I.I: Core Area: Architectural/Landscape Character – To maintain the distinctive architecture, historic character, and landscape quality within the Core Area.

Goal I.L: Commercial Development – To ensure an adequate supply of commercial land for and promote the development of commercial uses to meet the present and future needs of Eureka residents and visitors and to maintain economic vitality.

Analysis: The proposed conditional uses will occupy existing ground-floor commercial spaces in a mixed-use urban infill area away from exclusively residential neighborhoods and where the proposed uses can rely on existing services and developed land in a manner that avoids service extensions and protects natural and ecological resources consistent with Goal I.A. As the proposed uses will be located within an existing building and there are no proposed ground disturbing activities, there are no anticipated impacts to nearby wetlands and bay waters or the site and surrounding architecture and historical character. The site’s west-facing façade, during the 2010 renovation, was enhanced with decorative landscape planters which contributes to the landscape quality of the Core Area. As discussed above, although the applicant is proposing nine conditional uses for the two street-facing tenant spaces, all but the “arts and crafts schools” use are basically the same use type (retail and service-commercial uses that are generally considered local- or neighborhood-serving). A condition has been added to ensure uses open to the general public are prioritized in ground-floor, street-facing storefronts, and a separate condition has been included requiring the street-facing tenant spaces to be regularly open and participate in Old Town events, with storefront transparency maintained, and interesting displays and/or activities visible through the storefront glazing. By allowing for a variety of uses in an existing building originally designed for various commercial uses, the proposed project will have a positive effect on the City’s economic vitality and will not adversely impact available commercial land. For all these reasons, the proposed project, as conditioned, is consistent with Goals I.A, I.E, I.I and I.L.

Relevant Coastal Recreation and Access Goal and Associated Policies

Goal 5.B: Coastal Recreation and Access – To provide public open space and shoreline accessways throughout the Coastal Zone, consistent with protecting environmentally sensitive habitats and other coastal priority land uses.

- 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:
- a. Accepting offers of dedications that will increase opportunities for public access and recreation and the availability of necessary staff and funding to improve and maintain access ways and assume liability for them;
 - b. Actively seeking other public, community non-profit, or public agencies to accept offers of dedications and having them assume liability and maintenance responsibilities; and,
 - c. **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.**

Analysis: The site is located approximately 500 ft south of Humboldt Bay, separated from the bay by Snug Alley, Waterfront Drive, and three other parcels zoned CW. The site is located in Old Town which is built on a traditional street grid pattern that provides ample public access to the waterfront. The site is also immediately bordered on the west by a pedestrian walkway which runs north/south and connects 2nd street to Snug Alley. Parcel Map number 1762 (Book 15 of Parcel Maps, Page 93), prepared in 1980, indicates there is a recorded public access easement over this walkway (labeled “Parcel A” in Attachment 4). No construction or exterior modifications are proposed as part of this permit, and all proposed conditional uses are proposed indoors in existing tenant spaces. Furthermore, the conditional uses are required to adhere to all required conditions of the CW District in EMC §10-5.29111, which include the following condition: “(b) *In a CW District all business, services, and processes shall be conducted entirely within a complete enclosed structure, except for off-street parking and loading areas, exhibits of goods sold, manufactured, or processed on the premises, outdoor dining areas, and utility substations and equipment installations.*” Therefore, the proposed conditional uses will not interfere with public’s access to the shoreline, and thus, as conditioned, the project is consistent with Goal 5.B and associated policies.

Relevant Coastal Hazard Goals

Goal 7.A: Seismic Hazards - To minimize loss of life, injury, and property damage due to seismic hazards.

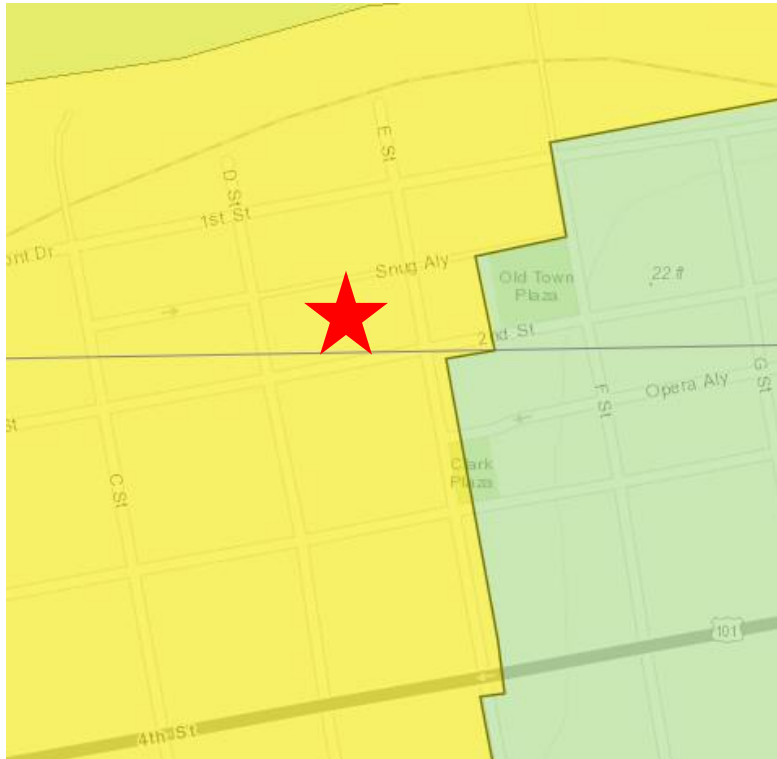
Goal 7.B: Geological Hazards – To minimize loss of life, injury, and property damage due to geological hazards.

Goal 7.D: To minimize the risk of loss of life, injury, damage to property, and economic and social dislocations resulting from flood hazards.

Analysis: The project site is located in a seismically active area in which large earthquakes are expected to occur during the lifespan of the proposed conditional uses. The proposed uses will occupy an existing building, and will not result in a significant addition of employees or customers compared to the previous or existing uses in the four ground-floor tenant spaces. Following the Applicant’s purchase of the property after the damage incurred during the January 2010 6.5

magnitude earthquake, the building was seismically retrofitted. A condition has been included to ensure the Applicant is aware of the need to obtain Building and Fire permits for any future tenant improvements to the satisfaction of Development Services – Building and Humboldt Bay Fire.

Figure 7: Site Relative to Tsunami Hazard Area (Tsunami Hazard Area in yellow; project site indicated by red star)



The project site is located approximately 500 ft from the Bay, outside of the mapped floodplain but within the mapped tsunami inundation area on the Tsunami Inundation Map for Emergency Planning (Figure 7)¹ and is at risk of tsunami inundation from waves generated from a variety of local and distant sources. If the region were to suffer a major earthquake along the Cascadia Subduction Zone, a local tsunami could hit the Humboldt Bay shoreline within minutes and tsunami run-up could affect the building. The tsunami risk can best be minimized through timely evacuation from the tsunami inundation zone. Therefore, to address the project being located within the tsunami hazard area, a condition has been added requiring posting of signage at a conspicuous location in each

ground-floor tenant space, explaining: (1) tsunami risks, (2) the need for evacuation if strong earthquake motion is felt or alarms are sounded, and (3) a tsunami evacuation route map for the project site informed by community-wide emergency response plans, showing egress direction(s) and expected assembly area(s) for safe evacuation.

Based on the discussion above, the finding can be made that the proposed project as conditioned conforms with the certified LUP.

2. Implementation Plan Analysis

The IP 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 LUP. Discussion of the project's conformance with the objectives of the Coastal Zoning Code and purposes and development standards of the CW District are provided in the CUP analysis section above.

In addition to specifying the regulations pertaining to specific zoning districts, the IP 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

¹ California Geological Survey, August 13, 2020.

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 §10-5.2946.9:

<p>EMC §10-5.2946.9 Archaeological areas.</p> <ul style="list-style-type: none">a) When development is proposed within a known archaeological area, project design shall avoid or minimize impacts to the resource.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, all work which could damage or destroy such resources shall cease and the City Planning Director shall be notified immediately of the discovery.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>Analysis:</p> <p>No ground disturbing activity is anticipated, and, thus, no impacts to archeological resources will result from the project. 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 June 12, 2024, with no responses received from the THPOs.</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 IP.

ENVIRONMENTAL ASSESSMENT

The City of Eureka, as Lead Agency, has determined the proposed project is categorically exempt from the provisions of CEQA, in accordance with §15301, Existing Facilities, Class I of the CEQA Guidelines, which covers the operating of private structures involving negligible or no expansion of use. Since the proposed project will be located entirely within an existing commercial building with no proposed expansion or enlargement of the building, the project qualifies for the Class I exemption.

PUBLIC HEARING NOTICE

Public notification consisted of notification by mail of property owners and residents within a 300-foot radius of the site on or before August 2, 2024. 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 or before August 2, 2024.

CONCLUSION

The Healy Building is in a prime location central to both Old Town and the City's Core Area, a place where vacancy of ground floor spaces is not ideal for creating a robust and economically viable visitor-serving area. The purpose of the use permit is to both legalize existing tenants occupying ground-floor tenant spaces, as well as provide some flexibility in the future in order to facilitate continued occupancy and avoid vacancies in the ground-floor tenant spaces. The proposal, as conditioned, ensures that the street-facing tenant spaces are active ground-floor uses, with priority given to visitor-serving uses, that contribute to the visitor-serving atmosphere by requiring visually interesting window displays or activities in the street-facing windows, participation in Old Town events, and being open to the public a minimum of 35 hours per week. The allowed land uses included in this use permit will help contribute to the vibrant and diverse mix of land uses of the surrounding historic and non-historic mixed-use buildings. It is for all of these reasons, and based on the analysis above, the proposed conditional uses, as conditioned, are consistent with the certified LCP, including the IP and LUP.

STAFF CONTACT

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DOCUMENTS ATTACHED

- Attachment 1: Planning Commission Resolution
- Attachment 2: Ground-Floor Tenant-Space Floor Plans
- Attachment 3: Photographs of Ground-Floor Windows and Doors
- Attachment 4: Parcel Map 1762 (Book 15 of Parcel Maps, Page 93)
- Attachment 5: Comments Received from the California Coastal Commission
- Attachment 6: Acronym Table