

PLANNING COMMISSION STAFF REPORT

June 11, 2025

Title:	Hunt Commercial Lodging
Project:	Conditional Use Permit UP-25-1
Location:	823 8 th Street
APN:	001-206-006
Applicant/Owner:	Janeth Hunt
Purpose/Use:	Commercial lodging (i.e. short-term rental, less than 30-days) within an existing one-bedroom, one-bathroom dwelling unit
Complete Application:	April I, 2025
Deadline for Action:	June 30, 2025
General Plan:	Professional Office (PO)
Zoning:	Office Residential (OR)
California Environmental Quality Act (CEQA):	Exempt under CEQA Guidelines §15301, Class 1 Existing Facilities
Staff Contact:	Taylor Rayburn, Assistant Planner
Recommendation:	Hold a public hearing; and
	adopt a resolution finding the project is exempt from CEQA and conditionally approving the application.
Action:	"I move the Planning Commission adopt a resolution finding the project is exempt from CEQA and conditionally approving the Conditional Use Permit for the Hunt Commercial Lodging at 823 8 th Street."





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PROJECT DESCRIPTION

The Applicant (and property owner), Janeth Hunt, is proposing to operate a commercial lodging unit (i.e. short-term rental, less than 30 days) within the second unit of a two-unit multi-family residential property (Figure 2). Specifically, the short-term rental will be located in a onebedroom, one-bathroom, 622-square-foot (sf) unit located above a 675-sf two-car garage accessed from the rear alley (Figures 3 and 4a).

The 4,070-sf parcel also contains a detached 751-sf unit (the original house) at the front (Figures 3 and 4b), which will continue to be operated as a long-term rental. Per the Applicant, the commercial lodging unit will accommodate up to two guests at a time, and is intended to have a focus on accommodating traveling healthcare workers, while also being available for vacation rental use. Two off-street parking spaces, accessed via the alley, will be provided: one within the garage and one adjacent to the garage. No alterations, renovations, or new construction are planned for the new use.

Short-term rentals in the OR - Office Residential Zoning District fall under the Commercial Lodging use type, which requires a Conditional Use Permit (CUP) per Eureka Municipal Code (EMC) §155.208.020 (Allowed Land Uses).

Figure 3: Site Plan



Figure 4a: Street View of Rear from J Street Looking Southwest (blue outline shows location of proposed lodging unit)

Figure 4b: Street View of Front from 8th Street Looking North (long-term unit to remain)



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USE PERMIT ANALYSIS

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

- I. The proposed use is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council.
- 2. The site is suitable for the size, design, and operating characteristics of the proposed use.
- 3. The proposed use will be compatible with existing and planned land uses in the vicinity of the property.
- 4. The proposed use will not be detrimental to the public health, safety, and welfare.
- 5. The proposed use is properly located within the city and adequately served by existing or planned services and infrastructure.

I. Plan and Code Consistency

General Plan Consistency

The subject parcel falls under the Professional Office (PO) Land Use Designation. The 2040 General Plan states that the PO Land Use Designation is a mixed-used designation containing "customer serving and non-customer serving professional offices, clinics, hospitals, and retail and related services, as well as residential uses." It allows for lodging where "the intent is to generally retain the character, scale, and form of the residential neighborhood." Commercial lodging operated in an existing "mother-in-law" apartment, rather than a hotel or motel, supports the mixed-use designation and maintains the character of the residential neighborhood, consistent with the intent of the designation.

Staff has reviewed the 2040 General Plan, including the 2019-2027 Housing Element, and found the following relevant policies:

<u>Policy LU-5.5 (Existing Neighborhoods)</u> "Protect and enhance the integrity of Eureka's existing neighborhoods by... supporting efforts to improve and maintain neighborhood appearance and existing housing stock."

The proposed use does not require exterior physical modifications to the subject parcel and, therefore, will not change the neighborhood appearance. Furthermore, the desire for a short-term rental to be successful encourages the regular maintenance of said rental and the parcel it is on. Therefore, allowing the proposed use, with the option of renting the unit as a long-term rental, protects the integrity of the neighborhood, as well as supporting maintenance of the parcel and the appearance of the neighborhood, consistent with Policy LU-5.5.

<u>Policy E-6.3 (Year-Round Tourism Destination)</u> "Encourage increased year-round and multi-day tourism by promoting Eureka as a cultural-tourism destination rich in local architecture, history, dining, arts and entertainment and by promoting and developing Eureka as an ecotourism and adventure tourism destination with activities such as bay kayaking, the Eureka waterfront coastal trail, Zoo, and forested city-parks."

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Because it is located in a mixed-use land use designation (and zoning district), the proposed use must be classified as "commercial lodging," rather than a vacation rental. Commercial lodging in an existing apartment provides an experience distinct from that of a standard hotel/motel room in a central location of the City. This contributes to a diverse mixture of transient lodging, especially in that this type of lodging can provide amenities not always available at hotels and motels (yard space, full kitchens, laundry facilities, etc.), increasing appeal to and providing for the needs of a wider variety of tourists. The proposed commercial lodging will be available year-round and provides access to multiple areas attractive to tourists. Downtown Eureka is less than a block away, the Old Town Historic District is located 0.24 miles (mi) away, Cooper Gulch Park & Playground is 0.34 mi away, and the waterfront is 0.37 mi away, all conveniently within walking distance. Thus, this use will support Eureka tourism consistent with Policy E-6.3.

<u>Policy E-7.17 (TOT Reinvestment)</u> "Establish a data-driven revenue reinvestment program for Transit Occupancy Tax (TOT) generated revenue. Program would reinvest some TOT revenue back into tourism-related assets, infrastructure, events, and marketing with the intent of continually increasing TOT revenue."

The commercial lodging will contribute to the City's Transient Occupancy Tax, which could be reinvested back into tourist-related assets. Thus, this use is consistent with Policy E-7.17

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

Zoning Code (EMC Chapter 155) Consistency

The subject parcel is located in the Office Residential (OR) Zoning District where commercial lodging is allowed with a CUP (EMC §155.204.020).

In its specific purpose, the OR District is stated as allowing "a mix of single-family and multi-family housing, offices, converted residential buildings, and lodging where the intent is to generally retain the character, scale, and form of the residential neighborhood." It is also stated as having a "lower intensity [of use] than the other mixed-use commercial districts of the city."

Converting an existing dwelling unit to a commercial lodging unit without visually altering the exterior of the structure it is contained within provides lodging in a way that retains the character, scale, and form of the residential neighborhood. Furthermore, while commercial lodging in the sense of a hotel or motel is allowed with a CUP, a converted "mother-in-law" apartment as commercial lodging is a far lower intensity of use, consistent with the specific purpose of the OR District.

The proposed commercial lodging unit will occupy an existing apartment on a site that is conforming with respect to minimum lot size, maximum density, maximum floor area ratio, and maximum site coverage development standards for the OR Zoning District (EMC §155.204.030[D]). The proposed commercial lodging use will not affect the existing site and structures' consistency with the OR development standards.

Lastly, the Zoning Code was updated in 2023, with changes to the requirements for nonconforming site features that must be upgraded to meet current standards as part of any CUP process. Under EMC §155.424.030(B) (Required Compliance), if a Use Permit is required, certain

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nonconforming site features - such as bicycle parking, trash enclosures and outdoor lighting must be brought into compliance. The Applicant has submitted a floor plan (Attachment 2 – Page 4-5) showing one required bicycle parking space in the garage and a trash and recycling cans storage area behind a locked fence to screen them from nearby residences. Photos provided by the Applicant (Attachment 2 - Page 11-18), as well as a site visit, have confirmed outdoor lights are compliant. Conditions have been added to ensure the bicycle parking space remains for the duration of the short-term rental and the waste storage is kept behind the fence.

2. Site Suitability

The commercial lodging will be located in an existing approximately 622-sf, one-bedroom, onebathroom dwelling unit located above a two-car garage, on a 0.09-acre (4,070-sf) parcel. Per the Applicant, one of the parking spots located within the two-car garage, accessed via the alley, will be available to guests. Additionally, the garage has enough space to provide for secure bicycle parking. No interior or exterior modifications to the existing home, garage, or property are proposed, and the site is served by all major utilities. Therefore, the site is suitable for the size, design, and operating characteristics of the proposed use.

3. Compatibility with Existing and Planned Land Uses in Vicinity

Existing Land Use Designations in the Figure 5: Land Use Designations vicinity are comprised of Professional Office (PO), Downtown Commercial (DC), and High Density Residential (HDR). Due to the subject parcel being in the immediate vicinity of Downtown Eureka and the High-Density Residential Land Use Designation, specific nearby uses include apartment complexes and other multifamily residential developments, singlefamily homes, law offices, City and County government offices. and various commercial services. The proposed use will be compatible with the existing land uses because no exterior changes to the existing structure are proposed, nor will

DC **HDR**

use as a single commercial lodging unit be a significant change in intensity of use from its current use as a long-term rental.

4. Protection of Public Health, Safety, and Welfare

Referrals were sent to agencies and City departments with interest or jurisdiction over the parcel or the intended use of the property. No comments were received that indicated the proposed commercial lodging use would be detrimental to the public health, safety, or welfare. The City's Building Official requires all short-term rentals obtain an inspection by Development Services -Building to verify the home, garage, and exterior yard is free from any life/safety issues to ensure the safety and welfare of the guests, which has been included as a condition of approval for the CUP.

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The project was also referred to local tribes, and the Wiyot Tribe requested the City's standard lnadvertent Discovery Protocol be in place prior to any construction activities involving ground disturbance, like landscaping and parking lot upgrades. This protocol ensures that, if historical, archaeological, or cultural materials are uncovered during construction, there is a structured response to mitigate damage and ensure proper handling. While no ground disturbance is proposed as part of this project, the Inadvertent Discovery Protocol has been included as a condition of approval for the CUP and must be followed in the event of ground disturbance.

5. Properly Located and Adequately Served

The subject parcel is served by all major utilities and has been in use as multi-family residential. As analyzed in the adopted 2040 General Plan Environmental Impact Report, the City has adequate utility capacity to serve existing and potential future development in the City envisioned by the General Plan.

The subject parcel is centrally located in the City and surrounded by commercial, residential, civic, and governmental uses. It is located less than a block from Downtown Eureka, and 8th Street a minor collector roadway. The parcel is located between I Street, a major arterial roadway, and J Street, a minor arterial roadway. These provide intra-city and sub-regional travel to and from each side of the City. Bike lanes surround the parcel on H, I, J, 6th, and 7th Streets. Nearby Eureka Transit Service (ETS) stops at I Street and 8th Street, H Street and 9th Street, and H Street and 3rd Street provide access to the ETS Rainbow, Purple and Red Routes, respectively. The subject parcel's close proximity to transit lines, bike routes, the Downtown area, and the Old Town Historic District will allow short-term rental guests to easily walk and bike to nearby shopping and dining, and take transit to destinations such as the Bayshore Mall, Henderson Center, the Sequoia Park Zoo.

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

CONCLUSION

Based on the analysis above, the proposed commercial lodging use is consistent with the General Plan and Zoning Code. The proposed use is suitable for the site, and is compatible with existing and planned land uses in the vicinity. The use is not detrimental to the public health, safety, and welfare, and is properly located within the City and adequately served by existing utilities and infrastructure.

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), pursuant to §15301, Existing Facilities, Class I of the CEQA Guidelines, which consists of the operating of private structures involving negligible or no expansion of use. As there is no proposed expansion to the existing building, the proposed commercial lodging use meets the criteria for exemption under CEQA Guidelines §15301 and there are no exceptions to the exemption.

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PUBLIC HEARING NOTICE

Public notification consisted of notification by mail of property owners within a 300-foot radius of the site on or before June 1, 2025. 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 May 30, 2025.

DOCUMENTS ATTACHED

Attachment I: Resolution 2025-___

Attachment 2: Applicant Submitted Material