



STAFF REPORT – PLANNING COMMISSION MEETING

TO: Honorable Chair and Commissioners

FROM: David Loya, Director of Community Development

PREPARER: David Loya, Director of Community Development

DATE: January 27, 2026

TITLE: **Provide Direction on the Local Coastal Program Comprehensive Update**

RECOMMENDATION:

Staff recommends the Commission receive a staff report on the Local Coastal Program update and provide direction as necessary.

INTRODUCTION:

The City has been working on the current comprehensive update to the local coastal program since 2015. The Coastal Commission has provided three grants and countless hours of technical support to advance the effort. The Planning Commission and City Council continued their hearings on the update from October 14th and 15th, respectively, to February 17th and March 4th, respectively. This item will provide the Commission and the community with an update on progress made with Coastal staff to resolve differences on the draft. Staff is seeking input and direction from the Commission regarding the proposed changes.

BACKGROUND:

State Law authorizes Local Coastal Programs, which, when certified by the Coastal Commission, implement the Coastal Act at the local level. The City's current Program was certified in 1989. There have been minor project level updates since that time and a few code amendments. But the Program is out of step with current policy and zoning. This update will bring the policy and code current and provide a framework for sea level rise.

The Program consists of a Local Coastal Element and a Coastal Zoning Ordinance. The Element includes the policy framework, as well as any implementation programs apart from zoning necessary to implement the Coastal Act. The Ordinance includes the codes necessary to address development and coastal resource protection. The Element will be incorporated as an Element of the General Plan and will fully replace the currently adopted Local Coastal Element of the General Plan. The Coastal Zoning Ordinance will fully replace the Land Use and Development Guide.

The current draft Program resulted from nearly three years of in-depth engagement. While sea level rise was a central focus of the engagement, the entire Coastal Land Use Element and the Coastal Zoning Ordinance has had several public hearings at the Planning Commission, as well as special meetings with the City Council. The engagement was extensive and includes a full vetting of the policy approach to sea level rise and land use in the coastal zone.

DISCUSSION:

This report focuses on the major changes to the Program since the item was heard in October of 2025. City staff worked closely with Coastal staff to address sea level rise policy and implementation, ADU process, and the Coastal Visitor Serving policies and programs. While there are several other edits throughout the document, these policy areas have seen substantive changes.

Sea Level Rise – The adoption hearings in 2025 were continued because the Coastal Commission staff indicated that the City’s Sea level rise policy proposed at that time could not be certified. The State staff indicated that the conflict between the City’s approach and Coastal Act interpretation by the State could not be resolved by suggested modifications that arise through the State hearing process. Instead, the policy would need to be resolved prior to the City taking local action to adopt the body of policy.

City staff have resolved the issues with Coastal Staff. These resolutions include future planning, thresholds for revisiting the policy, clarifying what can be protected, clarifying that nature-based solutions are preferable, adding the requirement for a project-based sea level rise report, fleshing out the risk disclosure policy, and clarification on when wetland fill for a sea level rise project is allowable.

The current draft of the Sea Level Rise section is included as Attachment A. While this policy may be revised slightly over the coming month, staff anticipates this version to be acceptable to the Coastal Commission and the City.

Accessory Dwelling Units – The City’s approach to the Program is to include everything that is necessary and nothing that isn’t. The State Coastal Commission and Housing and Community Development (HCD) have developed guidance on ADUs that satisfy the laws of both agencies. They have imposed certain regulations on the City. While staff continue to believe these are unnecessary in the Local Coastal Program because they can be implemented effectively through the citywide ordinance, staff recommends acquiescing on this issue.

Staff anticipates future implementation challenges in the future when State ADU law changes again. This body of law has changed perhaps more than any other in the last five years. The process of updating ordinances is expensive, staff intensive, and time consuming. The likelihood that the City has the resources to track State updates is exceedingly low. This means that the Program will ultimately be out of date and the City will not have the resources to stay current.

Both HCD and Coastal staff have been made aware of this challenge. Nonetheless, staff recommends the City accept the changes as proposed (Attachment B).

Coastal Visitor Serving – The Commission staff have indicated the City’s visitor serving regulations require a means to ensure preferential treatment of visitor serving uses. They generally mean that there be requirements for uses to include visitor serving on the ground floor accessible from the street frontage.

The Commission will recall that the City’s proposal for Coastal Visitor Serving was paired with sea level rise adaptation policies by encouraging South G Street properties to redevelop as visitor serving. The City’s legislation did not require visitor serving, it only encouraged it through zoning. In this way, the market was flexible to meet demand and did not require overemphasis on one market sector. The City reasoned that this would discourage redevelopment in the area.

Staff will present two options that we believe accomplish both State and City goals. The Commission is reviewing these options to determine which they prefer. Staff recommends only implementing one option.

Option 1:

In the Coastal Commercial Central district (downtown), establish a Coastal Visitor Serving (:CVS) overlay. The land use and design standards will prioritize visitor-serving commercial uses in much the same way that Eureka's proposed visitor serving district works:

- Minimum ground floor ceiling height facing the street
- Minimum ground floor storefront transparency facing the street
- Required "ground-floor-dependent uses" facing the street, defined as a commercial or public use qualifies that:
 - Relies on pedestrian foot traffic to function and involves frequent visits by customers or visitors;
 - Is open to the general public during regular business hours; and
 - Sells goods that are typically consumed on premise or carried away by customers or provides services of a personal or recreational nature.

In addition, the zone currently proposed as Commercial Visitor Serving Combining Zone for the South G street area would be changed to a Sea Level Rise Adaptation Investment Zone. The zone would function largely as it does now as proposed with maybe minor tweaks to encourage certain investments (hotels, rv parks, restaurants, etc...) This area would NOT be a commercial visitor serving area and would not "prioritize" such uses as the term is used in the coastal vernacular.

Option 2:

Non-residential properties in the currently proposed Commercial Visitor Serving Combining Zone that are:

- Substantially redeveloped or newly developed shall require CVS uses if
- Fewer than 25 percent of the properties in the underlying Coastal Industrial Commercial or Coastal Commercial Mixed properties provide retail or public facing services .

Option one provides an area that will ensure new uses meet the design standards and use requirements to encourage pedestrian oriented commercial uses. Option two provides a larger area potentially subject to the standard with specified triggers.

POLICY IMPLICATIONS:

The updated policy will modernize the City's coastal planning.

COMMITTEE/COMMISSION REVIEW:

The Planning Commission and the Creeks and Wetlands Committee have reviewed and provided input on the Program.

ENVIRONMENTAL REVIEW (CEQA):

Local adoption of Local Coastal Programs are statutorily exempt from CEQA because they are certified by the State LCP process, which includes a CEQA equivalent regulatory process.

BUDGET/FISCAL IMPACT:

The update has received some funding from the State Coastal Commission. However, much of the funding for the work has been sourced from the General Fund or General Plan Update Fund.

ATTACHMENTS:

- A. Local Coastal Element Excerpt – Ch 8 Sea Level Rise
- B. Coastal Zoning Excerpt – ADUs