



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: March 10, 2026

TITLE: Consider Approval of a Gateway Code Zoning Interpretation

RECOMMENDATION:

Staff recommends the Commission receive a staff report, accept public comment, and affirm the Zoning Administrator’s interpretation regarding the provisions of the Gateway Use Permit and Design Review (Gateway Code Sec. 9.100.020.C-D).

INTRODUCTION:

The Gateway Code (Code) was adopted in late 2024. Only a few applications have been submitted in the Gateway Area. The processes created in the Code are now being tested. These tests are highlighting areas for clarification. In addition, Gateway Code Section 9.110.010.F requires periodic review of the Code by the Planning Commission. This item will provide the Commission the opportunity to review the Gateway Code early in its implementation and confirm or appeal a Zoning Administrator Zoning Interpretation related to Gateway Use Permit approval.

BACKGROUND:

Land Use Code Section 9.10.050.A specifies that the “Zoning Administrator has the authority to interpret any provision of this Land Use Code. Whenever the Zoning Administrator determines that the meaning or applicability of any Land Use Code requirement is subject to interpretation, the Zoning Administrator may issue an official interpretation. The Zoning Administrator may also refer any issue of interpretation to the Planning Commission for their determination. Interpretations may be appealed in compliance with Chapter 9.76 (Appeals)”. While processing a Gateway Use Permit for expansion of a non-conforming use, staff raised questions as to which processes, findings, and approval authority applied. This item provides the Planning Commission the opportunity to review the Zoning Administrator’s interpretation.

DISCUSSION:

The Code is designed to allow ministerial approval of projects that conform to the form-based standards. The Commission and Council responded to community concerns over existing non-conforming uses and the ability to adaptively reuse existing buildings by allowing non-conforming buildings a permit pathway. Whereas zoning codes typically do not allow expansion or continuation of non-conformities as a way of moving development towards the zoning ideal, the Code allowed for more flexibility offering a Design Review and Gateway Use Permit process.

Design Review

Projects that do not qualify for Gateway ministerial review may include Design Review. Section 9.110.020.C of the Gateway Code triggers Design Review if two criteria are met. First, the project does not qualify for ministerial permitting outlined in 9.100.020.B.3. Second, the project otherwise requires Design Review under Section 9.72.040. These criteria, and the process they establish, are independent of the Gateway Use Permit and are intended to allow the City a measure of discretionary design approval for projects that propose something other than the form-based standards.

Projects that would be subject to the Design Review requirement include new builds and remodels. A new build project may choose not to follow the form-based code because of site conditions, architect's preference, or other reasons. The Council allowed this option to encourage creative solutions. Alternatively, a project that adaptively reuses or otherwise rehabilitates an existing building will not likely be able to meet the modern design standards in the Code. The Council wanted to allow such reuse of buildings. The Design Review process called for in Subsection C provides a permit pathway for these types of projects.

The zoning interpretation is straight forward here. Projects that do not meet the ministerial requirements of the Code follow the Design Review process. This may require a hearing and Design Review findings for approval. Projects required to obtain Design Review may require other permits as well.

In addition to the Design Review findings, projects approved under Subsection C must also make the findings in Subsection C.3 if the ministerial requirements were triggered due to not meeting one or more design standards. The findings are either that the standard is not applicable because of the project type or that the project achieves the intent of the standard using alternative methods. These findings specifically address the adaptive reuse/remodel and architect's creativity discussed above, respectively.

If a project did not meet the ministerial permit requirements because it did not incorporate housing, findings under Subsection C.3 are not required. Such projects would require a Gateway Use Permit.

Gateway Use Permit – New Builds

In addition to the Design Review requirements for projects that do not qualify for the Gateway Ministerial Permit, a proposed new building that does not conform to the design standards or that does not provide the minimum housing required to trigger ministerial review will also require a Gateway Use Permit. The process for a Gateway Use Permit is outlined in Section 9.110.020.D. Subsection 3 states that the procedures are the same as for the Use Permit and Minor Use Permit in Section 9.72.080 with the addition of findings included in 9.110.020.D.4:

- a. The design, location, size, and operating characteristics of the proposed activity will not impede or interfere with redevelopment of surrounding properties as envisioned in the Gateway Area Plan.
- b. The proposed project is either minor in nature or incorporates features that contribute to the vibrancy of the Gateway Area. For the purpose of this finding, "contribute to the vibrancy of the Gateway Area" means the project will accommodate an estimated 100 new jobs or more, provide at least 25,000 square feet of resident-serving commercial uses, or include a hotel and other visitor-serving uses that promote local tourism.
- c. The site is physically suitable for the type, density and intensity of use being proposed, including access, utilities, and the absence of physical constraints; and

- d. Granting the permit will not be detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zoning district in which the property is located.

These findings must be made, in addition to the Use Permit findings in Section 9.72.080, to ensure the policy goals of the Gateway Area Plan are effectuated even if the project does not conform to the explicit requirements of the Code. This flexibility was determined desirable to allow creative solutions to Arcata's development needs.

Gateway Use Permit – Nonconforming Expansion

The Gateway Area is largely built out. The community wanted the ability to reuse and expand existing buildings and uses. The typical shift anticipated from non-conforming policies that prohibit their expansion and continuation were rejected in the Gateway Code in favor of more lenient policies that supported existing businesses.

This flexibility is encoded in Section 9.110.020.D.5, which allows for the expansion of nonconforming uses with the following findings:

- a. The expansion occurs on the same parcel of the existing nonconforming use;
- b. The use is not heavy or moderate-impact manufacturing/processing; and
- c. The review authority finds that sufficient measures are incorporated into the design to reduce off-site impacts associated with aesthetics, odor, and noise.

This expansion provision could apply to an existing commercial use. If an auto shop wished to expand and add a new service, this provision would allow that expansion. Residential uses are explicitly exempted from the nonconforming provisions per Section 9.110.010.E.3.

Conclusion

The first few projects that have been submitted in the Gateway are modest and test the nonconforming and alternative means provisions in the Code. Based on the above summary of the Code, the Zoning Administrator has made the following interpretations:

1. A project that does not qualify for a Gateway Ministerial Permit is subject to the Design Review requirements of Section 9.72.040, including all procedures and noticing requirements, in addition to any other permits that may be required.
 - a. Because some design review permits are ministerial/administrative, this requirement may be fulfilled through a staff review of the building permit (no hearing required).
2. A project that does not qualify for a Gateway Ministerial Permit must also obtain a Gateway Use permit.
 - a. The procedures, including findings, noticing, and hearing process, follow the Use Permit procedures established in Section 9.72.080.
 - b. In addition to the Use Permit findings in 9.72.080, a Gateway Use Permit may only be issued if the findings in 9.110.020.D.4 are made.
3. Expansion of a nonconforming use, and thereby a nonconforming building type, may only be approved with the additional findings included in 9.110.020.D.5.
 - a. An expansion of an existing nonconforming use requires procedures included in subsections 3-5, inclusive, in addition to the requirements above.

This interpretation will result in some duplication. For example, both the Use Permit and Gateway Use Permit have public health and safety findings. This duplication may be eliminated in the future through a code amendment. This is a very minor matter, however, to ensure that the policy intent of the Gateway Code is implemented with noncompliant projects.

This interpretation will have implications primarily for reuse projects. Such projects are highly unlikely to meet the form-based code standards for articulation, setback, and the like. Imposing those standards on such projects would render them cost prohibitive. An interpretation that imposed the standards in this way would be at cross purposes to the Gateway Area Plan.

Alternatively, the interpretation could be modified to only require nonconforming expansion projects to address the findings in Subsection D.5. Such an interpretation would provide more flexibility to modifications of existing uses. It would have little effect on adaptive reuse projects that propose expansion of existing structures. Staff recommends simplifying the process by requiring consistency across project types.

If the Commission agrees with this interpretation, Staff will implement accordingly. If the Commission wishes to modify the interpretation, they may do so at this or a subsequent meeting. Alternatively, the Commission may initiate a code amendment to explicitly modify the code.

ENVIRONMENTAL REVIEW (CEQA):

This interpretation is not a project subject to CEQA.