

June 10, 2026

<b>Title:</b>	2 <sup>nd</sup> Street Acquisition
<b>Project:</b>	Real Property Conveyance PCON-26-1
<b>Location:</b>	16 2 <sup>nd</sup> Street
<b>APN:</b>	001-062-012
<b>Applicant:</b>	City of Eureka
<b>Property Owner:</b>	Betty Kwan Chinn Homeless Foundation
<b>Purpose/Use:</b>	Acquisition of a 0.46-acre vacant property for development and operation of an emergency shelter facility with up to 40 prefabricated sleeping units and support structures.
<b>Application Date:</b>	June 2, 2026
<b>General Plan:</b>	Limited Industrial (LI)
<b>Zoning:</b>	Limited Industrial (ML)
<b>CEQA:</b>	Exempt under §15061(b)(3) Common Sense
<b>Staff Contact:</b>	Caitlin Castellano, Deputy Development Services Director
<b>Recommendation:</b>	Receive report; and Adopt a Resolution finding the City of Eureka’s acquisition of 16 2 <sup>nd</sup> Street (APN 001-062-012) is exempt from CEQA and conforms with Eureka’s 2040 General Plan.
<b>Motion:</b>	<i>“I move the Planning Commission adopt a Resolution finding the City of Eureka’s acquisition of 16 2<sup>nd</sup> Street (APN 001-062-012) is exempt from CEQA and conforms with the City’s 2040 General Plan, and direct Staff to report the Commission’s determination and any comments to the City Council.”</i>

Figure 1: Location Map (Inland extent of the

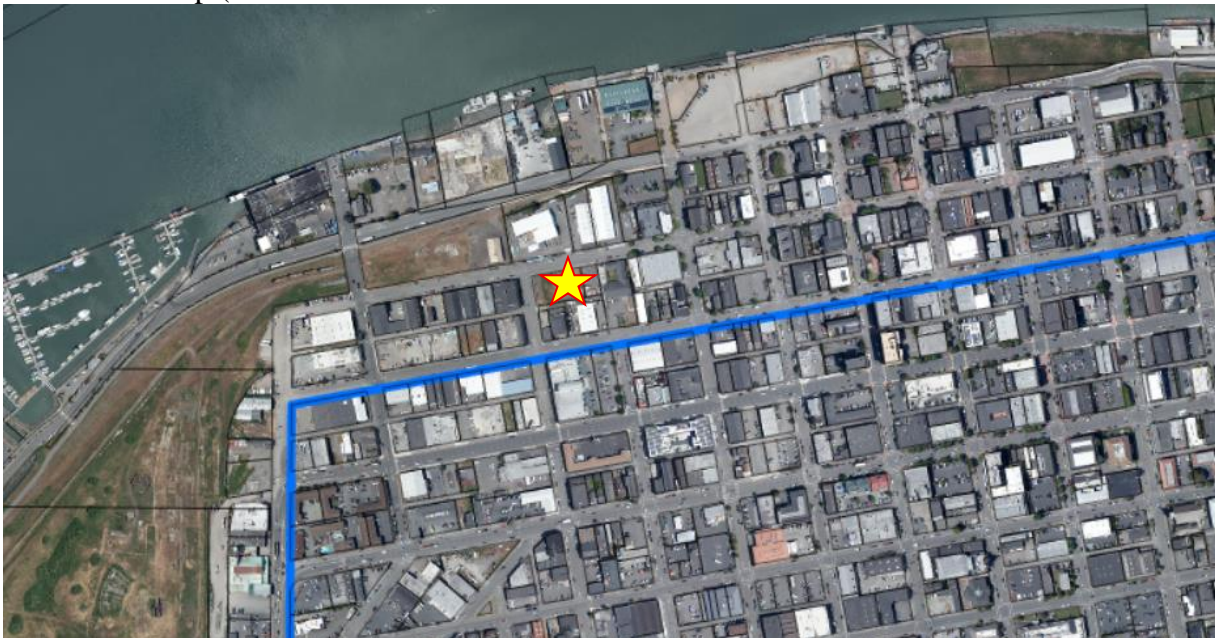


Figure 2: Site Map



## **PROJECT SUMMARY**

The City of Eureka proposes to acquire a vacant property located at 16 2<sup>nd</sup> Street (Figure 2) for development and operation of up to a 40-unit emergency shelter facility comprised of a prefabricated building system of separate structures serving different functions including sleeping rooms, bathrooms, office, meal prep and laundry facilities (proposed facility). The facility is intended to provide temporary and transitional shelter accommodation and supportive services for individuals and households experiencing homelessness or housing insecurity. Attachment 2 includes the LIT Homes A-1000 Series Product Installation Manual for the proposed prefabricated building system.

## **Background**

The City of Eureka continues to experience significant demand for emergency shelter beds, supportive housing, and affordable housing opportunities. The planned acquisition represents a strategic investment in addressing homelessness, increasing housing stability, and implementing the City's adopted housing policies. The 0.46-acre property is vacant and located in an urbanized area with access to transportation facilities, public services, social services, employment opportunities, and commercial amenities, which supports the intended future use of the site.

In December 2024, the City Council discussed the potential acquisition of 16 2<sup>nd</sup> Street in closed session, as allowed under California Government Code (CGC) §54956.8 for real property negotiations concerning potential acquisition terms with Betty Chinn.

## **Site History**

The property is part of the former Oregon Freightways terminal site, where underground fuel storage tanks were removed in 1988 and petroleum-impacted soil was later excavated and removed. Following investigation, corrective action, and groundwater monitoring, Humboldt County Department of Environmental Health issued a Remedial Action Completion Certification on July 14, 2003, finding no further action was required for the petroleum release. A July 2003 Soil Management Contingency Plan was also prepared to address management of residual contaminated soil or groundwater if encountered during future site development.

The property was also previously the subject of discretionary approvals for a separate private development proposal. In 2019, the Planning Commission approved a Conditional Use Permit, Coastal Development Permit, and Design Review for a proposed 15,300-square-foot building for small volatile cannabis manufacturing that did not proceed.

In 2023, the City prepared a Notice of Exemption for the Trillium Village Homekey Project at the subject property, finding development of an interim housing/shelter project exempt from CEQA under CEQA Guidelines §15332, Class 32 In-Fill Development Projects. The 2023 Notice of Exemption evaluated development of the vacant infill site with modular units and related support facilities. The City was not successful at obtaining the Homekey grant at that time and is continuing to pursue funding for the proposed facility.

#### Future Permit Review

The property is located in the Coastal Zone; therefore, future development and use of the property must conform with the City's certified Local Coastal Program (LCP) through any required Building Permit, Coastal Exemption, or Coastal Development Permit (CDP) process. The LCP is the City's policy and regulatory framework for development and use of land in the Coastal Zone and consists of the Land Use Plan (LUP), which includes land use designations and policies, and the Implementation Plan, which includes the zoning regulations and other ordinances that implement the LUP and the California Coastal Act at the local level.

The property is located in the Limited Industrial (ML) Zoning District, where emergency shelters are principally permitted under EMC §10-5.250 et seq. The City's emergency shelter regulations establish development and operational standards for building, health, safety, staffing, neighborhood maintenance, police coordination, and other related requirements; however, State Housing Element Law under CGC §65583 et seq., limits the types of standards local agencies may impose on emergency shelters. Therefore, only applicable provisions of the City's emergency shelter regulations will apply to future development and operation. Development of the facility will also be subject to Appendix Q of the California Building Code for emergency housing and emergency housing facilities, as well as applicable fire, life safety, accessibility, utility, sanitation, and maintenance requirements.

Because emergency shelters are principally permitted in the ML Zoning District and the property is located in the City's CDP Categorical Exemption Area, future development of the facility is expected to qualify for a Coastal Categorical Exemption rather than a CDP, provided the applicable exemption requirements are met. The exemption process will still require applicable coastal review procedures, including tribal referral for ground disturbance and preparation of the required justification notice for posting on the City's website and transmittal to the California Coastal Commission.

## **APPLICABLE REGULATIONS**

Title 15, Chapter 152, of the EMC, §152.01 specifies the powers and duties of the Planning Commission, which include advising with and recommending to the City Council the acquisition, use, or disposition of all City-owned real property. In addition, CGC §65402 requires the Planning Commission to review and report on whether the location, purpose, and extent of a proposed public acquisition conforms with the adopted General Plan.

Although future development and use of the property must conform to the certified LCP, for purposes of this report, the CGC §65402 conformity determination is evaluated against the applicable goals and policies of the City-wide 2040 General Plan, including the 2019-2027 Housing Element. Because the property is located in the Coastal Zone, the land use designation discussion also addresses the property's certified LUP designation and implementing coastal zoning district.

## **ANALYSIS**

### **Land Use Designation**

The certified LUP and 2040 General Plan both identify the property as Light Industrial (LI). Because the 2040 General Plan designation is not certified by the Coastal Commission, the certified LUP designation applies and is implemented by the ML Zoning District. Although the proposed facility is not an industrial use, emergency shelters are expressly allowed in the ML Zoning District as described in the Background section.

The draft LUP for the City's pending comprehensive LCP Update also proposes to continue allowing emergency shelters in the coastal LI designation where allowed by the applied zoning district. Therefore, the proposed acquisition is consistent with the current certified LUP designation and with the anticipated direction of the pending LCP Update.

### **2040 General Plan Goals and Policies**

Goals and policies in the City's 2040 General Plan, including the 2019-2027 Housing Element, were reviewed for applicability to the proposed acquisition, and the following goals and policies were identified for Planning Commissions' consideration:

**LU-1.3 Beneficial Development.** Support development that affords benefits to all segments of the community that:

- a. Offers varied housing choices.
- c. Develops underutilized or vacant parcels.
- d. Reuses and expands upon underutilized or dilapidated buildings.
- g. Encourages people to walk, bike, or use transit.
- l. Advances other City goals.

**LU-1.9 Existing Buildings and Sites.** Support economic investment in and incentives for improvements to existing buildings and sites including facade improvements, new paint and signage, retrofitting, adaptive reuse, and upgraded landscaping and paving.

**LU-6.2 Infill First.** Promote development of vacant infill properties and redevelopment/reuse of economically underutilized sites and buildings to accommodate new growth and internal densification prior to considering potential annexation.

**Consistent.** The proposed acquisition is supported by Land Use Policies LU-1.3, LU-1.9, and LU-6.2 because the acquisition would allow the City to obtain an existing urban property for future emergency shelter and supportive services purposes. The property is located in an urbanized area with access to transportation facilities, public services, social services, employment opportunities, and commercial amenities. Acquisition of the property would support productive use of an existing long-vacant site, advance City homelessness response goals, and place future shelter opportunities near services and transportation.

**Goal H-6. All residents of Eureka have equal access to housing options.**

**H-6.1 Safe and Stable Housing.** Work towards safe and stable housing for all members of the community.

**H-6.3 Non-Profit Service Providers.** Support non-profit service providers that help meet the diverse housing and supportive service needs of the community.

**H-6.8 Housing First.** Continue to implement Housing First programs.

**Goal H-7. The rate of homelessness in Eureka is substantially lower than it has been in the past.**

**H-7.2 End Homelessness.** Seek to end homelessness in Eureka through support for, and participation in, multiple strategies, including housing-first principles, Substance Use Disorder programs, counseling and support services, income assistance programs, job training/counseling services, and other proven methods of reducing the incidence and effects of homelessness. Support non-profit organizations and public agencies with a proven track record of accomplishing these sorts of strategies, principals, programs, and services.

**Consistent.** The proposed acquisition is supported by Housing Element Goals H-6 and H-7 and Policies H-6.1, H-6.3, H-6.8, and H-7.2 because it would help the City address homelessness, increase access to safe shelter, and support future provision of supportive services for individuals and households experiencing homelessness or housing insecurity. The proposed acquisition would help implement the City's adopted homelessness response and housing stability policies by creating an opportunity for future development of an emergency shelter facility with related supportive services.

**H-6.5 Pedestrian and Bicycle Connectivity.** Ensure that projects integrate safe pedestrian and/or bike connectivity to existing or proposed destinations such as employment, shopping, business, and other residential developments, to reduce vehicle miles traveled, promote alternative modes of transportation, and ensure pedestrian and bicycle safety.

**H-6.6 Transit Services.** Support regional efforts to enhance and expand transit services.

**H-2.20 Transit Services.** Support the enhancement and expansion of intra-city and regional transit services that complement the development of mixed-use and affordable housing.

**Consistent.** The proposed acquisition is supported by Housing Element Policies H-6.5 and H-6.6 because the property is located in an urbanized area with access to sidewalks and crosswalks, bicycle lanes and routes, transit service/bus lines, public services, social services, employment opportunities, healthcare providers, and commercial amenities. These location characteristics can help reduce transportation barriers for future shelter occupants and support access to services needed for housing stability.

**LU-2.8 Homeless Services.** Discourage the development of new services or facilities that promote the concentration of homeless services in the Core Area. The City supports the dispersal of homeless related services and facilities throughout Humboldt County.

**Consistent.** The property is located just west of, but outside, the Core Area. The adjacent property to the east, 36 2nd Street, is within the Core Area and is used as a parking area for the Eureka Rescue Mission. The Rescue Mission's primary support services building is located farther east, at 100 2nd Street, and contains a chapel/dining area, commercial kitchen and storage areas, bathrooms, and offices. Therefore, the future emergency shelter would be located near existing homeless-related services, but not within the Core Area itself. The property is appropriately designated and zoned for emergency shelter use, and the acquisition would allow the City to provide managed shelter and supportive services in an urbanized location near transit, services, and employment opportunities. Future development and operation will be subject to applicable emergency shelter standards addressing safety, site management, police coordination, and related operational requirements. Therefore, when considered together with the more directly applicable Housing Element and land use policies discussed above, the proposed acquisition is consistent with the 2040 General Plan.

### **Consistency Determination**

Based on the analysis above, the City of Eureka's acquisition of the property at 16 2nd Street conforms with the 2040 General Plan. The location, purpose, and extent of the acquisition support the City's adopted policies related to homelessness response, supportive services, infill development, access to services, and safe and stable housing.

### **Environmental**

The Planning Commission's review and recommendation to the City Council regarding the City of Eureka's acquisition of the property is part of the City's discretionary decision-making process and is subject to environmental review under the California Environmental Quality Act (CEQA). However, pursuant to CEQA Guidelines §15061(b)(3), the acquisition itself is exempt from further CEQA review because it can be seen with certainty that the Planning Commission's recommendation, and the City's acquisition of the property, will not have a significant effect on the environment.

As described in the Background section, the City previously prepared a Notice of Exemption for development of an interim housing/shelter project on the property. Future permit review for the emergency shelter facility will consider the prior CEQA determination and whether any additional environmental review is required based on the final project design.

**STAFF CONTACT**

Caitlin Castellano, Deputy Development Services Director; 531 K Street, Eureka, CA 95501; [planning@eureka.ca.gov](mailto:planning@eureka.ca.gov); (707) 441-4160

**DOCUMENTS ATTACHED**

Attachment 1: Planning Commission Resolution 2026-\_\_\_\_

Attachment 2: LIT Homes A-1000 Series Product Installation Manual

This document was prepared by City staff with the assistance of generative AI tools for drafting and editing support. All analysis, conclusions, and determinations were reviewed and finalized by City staff.