APPENDIX D. GENERAL PLAN CONSISTENCY ANALYSIS

The initiative amends the City's General Plan for 21 City-owned parking lots and the Jacob's Middle School Site. This document is intended to analyze the consistency of the initiative with the City's General Plan.

Two of the 21 parking lots identified by the initiative are the parking lots awarded through a City RFP process to the Wiyot Tribe Dishgamu Humboldt Community Land Trust (the Wiyot Tribe) for the development of affordable housing. The initiative would not affect use of these two sites, provided the Wiyot Tribe remains the bid awardee and developer. Therefore, although this document repeatedly discusses the initiative's impact on 21 City-owned lots, as long as two of the sites are under Wiyot Tribe control, the initiative effectively implicates 19 City-owned lots.

It's also important to note that twelve of the implicated City-owned parking lots are located in the coastal zone and are regulated by the City's Local Coastal Program certified by the California Coastal Commission, in addition to other applicable City policies and regulations.

General Plan Background

Government Code Section 65300 et seq. directs all cities and counties in the State to adopt a comprehensive planning document, called the General Plan, laying out the future of the local jurisdiction's development in general terms through a series of policy statements, in text and map form. The General Plan serves as the blueprint for how a local jurisdiction will grow, and is the supreme document from which all local land use decisions must derive. The General Plan must be internally consistent and embody a comprehensive and integrated planning approach for the jurisdiction.

The City adopted a comprehensive update to its General Plan in 2018 (called the 2040 General Plan), replacing the 1997 General Plan. The update process began in 2012 and included a robust community outreach and engagement process with stakeholder interviews, community workshops, web-based virtual town halls, focus groups, landowner requests, City Council and Planning Commission check-in sessions, an Environmental Impact Report scoping meeting, General Plan update website, flyers, media releases, and public hearings.

Eureka was founded in the 1850s and grew quickly over the next 100 years. By the late 1950s, the vast majority of the large buildings that currently exist in the City had been built, and the City's distinct character had been largely established. The City adopted its first General Plan in 1965, and until the most recent update in 2018, the City's General Plan was intended to stimulate low-density suburban development patterns (e.g., a strip mall setback behind a large surface parking lot). In contrast, the current 2040 General Plan de-prioritizes parking and utilizes greater intensities and building heights than have been allowed in previous versions of the General Plan (1965-2018), returning to Eureka's roots by encouraging new development that is of the same scale and density as the development Eureka experienced prior to the 1960s.

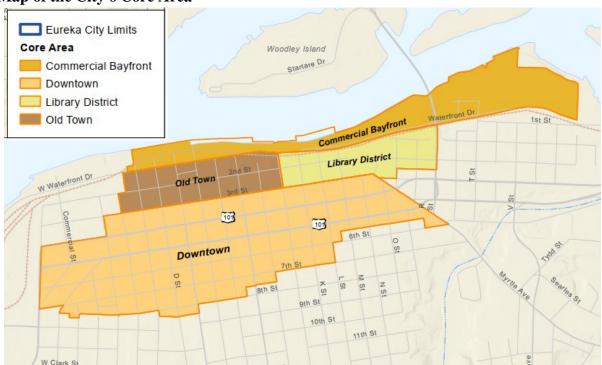
Community Places and the City's Core Area

The 2040 General Plan includes a number of "Community Places," which are distinct areas, neighborhoods, or districts of the City that are recognizable by their geography and general character. The parking lots implicated by the initiative are located in the Old Town, Downtown, and Library Districts (the 6th and M Street lot is actually located just outside of the mapped Downtown District, but inside the corresponding Downtown Commercial land use designation). The 2040 General Plan's vision for these three districts is described below:

- Old Town: Old Town is envisioned to continue its legacy as a premiere historic district with a dense development pattern, multi-story buildings, and upper floor office and residential uses, and to become a primary regional center for tourism, recreation, leisure activities, and shopping.
- <u>Library District</u>: The Library District is envisioned to continue as a "quiet" district of low impact uses (such as offices and vacation rentals) and well-preserved historic structures.
- <u>Downtown</u>: Downtown is envisioned to become an even stronger regional center of retail, cultural facilities, and office-based professional and business services with a dense development pattern, multi-story buildings, and upper floor office and residential uses.

According to the 2040 General Plan, these three Community Places, along with the Commercial Bayfront, comprise the City's "Core Area," which is the traditional business center and cultural hub of the City. The 2040 General Plan "envisions the Core Area expanding its influence as the business and cultural center of the City, with increased opportunities for tourism and expanded upper floor residential uses." The 2040 General Plan includes a number of policies specifically focused on the Core Area, many of which are included in the consistency analysis below.





2040 General Plan Goals and Policies

Goals and policies in the City's 2040 General Plan were reviewed for applicability to the initiative, and the most applicable are included below, grouped by topic area.

Regulatory Flexibility

A number of 2040 General Plan policies call for removing regulatory barriers to development and allowing for flexibility in use and development standards to accommodate innovative development ideas and quickly respond to evolving market opportunities overtime.

- **Policy LU-1.1: Diverse Uses.** Maintain a diverse range of compatible land uses that offer adequate flexibility to quickly respond to evolving market opportunities over time.
- **Policy LU-1.6: Flexible Zoning.** Allow for performance-based concessions, planned use developments, and other flexible zoning incentives and standards.
- **Policy LU-6.1: Development Regulations and Standards.** Modify City regulations and standards in commercial zones to allow for greater intensities and building heights than have been allowed in the past and create zoning standards that allow for context-based flexibility of intensities, densities, building heights, and other standards. Provide adequate flexibility in the City's development regulations to accommodate unique circumstances and innovative development ideas.
- **Policy LU-1.20: Incentives.** Establish incentives to support the types of uses, development, and investments promoted by the General Plan.
- **Policy LU-1.21: Remove Obstacles.** Monitor Eureka's development regulations (e.g., zoning and subdivision ordinance) to ensure that these regulations support the goals of the General Plan and do not create barriers to the implementation of the City's development objectives.
- **Policy E-1.1: Business Friendly Environment.** Work to remove both real and perceived barriers to development and continually reinforce a business-friendly reputation by ensuring...(c) Flexibility to adjust to unique circumstances...(g) Continuous evaluation and modernization of City regulations and procedures...
- **Policy E-1.4: Targeted Development Incentives.** Establish procedures to allow modifications to Zoning Code development standards as incentives to facilitate development or re-use of chronically vacant, underutilized, or other key sites.

<u>City-Owned Parking Lots</u>: The initiative imposes a large and inflexible parking requirement on 21 parcels in the mixed-use Downtown, Old Town, and Library Districts. If the initiative passes, the City could not, for instance, sell some of the underutilized parking lots at the periphery of the Core Area to pay for a multi-story parking structure on one of the centrally-located lots; every one of the existing lots would be required to be retained with at least the same number of parking spaces that exist now. The initiative also significantly reduces what uses are allowed on the

implicated parcels from a broad mix of residential, commercial sales, commercial service, office, civic, and recreational uses, to parking or high-density residential development with parking. The initiative specifies it would take a vote of the people to amend or remove these restrictions in the future; zoning by ballot initiative is a slow and expensive process. This lack of flexibility is inconsistent with the above-listed 2040 General Plan policies.

<u>Jacobs Site</u>: The initiative would significantly increase the types of uses allowed on 60% of the Jacobs Site to allow for a broad array of residential and commercial uses in addition to the uses allowed by the site's current Public Facilities zoning, while further restricting 40% of the site to be dedicated to high-density residential uses. The initiative specifies that it will take a vote of the people to amend or remove these provisions in the future, making it much more difficult to change course in the future.

Regulatory Flexibility for Housing

The following goal and policies of the 2040 General Plan's Housing Element specifically call for removing regulatory barriers to housing development:

- **Policy Goal H-1.** Eureka's development regulations, permit processing procedures, and customer service standards are development-friendly and conducive to the production of housing.
- **Policy H-1.1: Flexible and Accommodating Regulations.** Regularly evaluate and modify City development-related regulations, standards, and residential density maximums to allow for a diverse range of housing options. Actively strive to eliminate unnecessary and burdensome government regulations that restrain or impede the development of housing.
- **Policy H-1.15: Deed-Restricted Affordable Housing Incentives.** Continue to provide local regulatory incentives (beyond those provided via State density bonus law) for deed-restricted affordable housing. Explore adding additional local regulatory incentives.

<u>City-Owned Parking Lots</u>: The initiative imposes such a large parking requirement on the 21 City-owned Core Area parcels that, according to an analysis prepared by Pro Forma Advisors, affordable housing would no longer be feasible on these sites in the future, inconsistent with Goal H-1 and Policy H-1.1. The Inland Zoning Code exempts deed-restricted affordable housing from parking requirements; the initiative would remove this local regulatory affordable housing incentive from the inland parcels, including the four parcels planned for the Linc Housing and HTA Transit Hub projects which were counting on the parking exemption, inconsistent with Policy H-1.15.

Housing Development

The 2040 General Plan calls for expanding the supply of housing, including in the Core Area, and providing a range of housing types for a range of income levels:

- **Policy LU-1.3: Beneficial Development.** Support development that affords benefits to all segments of the community that: (a) Offers varied housing choices...
- **Policy LU-5.1: Range of Densities.** Provide sufficient land in a range of residential densities to enable citizens from a wide array of economic levels and stages of life to live in Eureka, and to accommodate the existing and future workforce.
- **Policy LU-5.3: High Density Housing.** Support increased development of high-density housing to balance the City's housing inventory and enhance affordability.
- **Policy LU-5.4: Location.** Encourage the location of high-density housing in proximity to commercial and community services, employment opportunities, major transportation corridors, and where City infrastructure can accommodate increased densities.
- Policy H-1.12: Diverse Housing Development Options. Continue to provide a diverse range of housing development options beyond typical single-family and multi-family developments, such as: small lot subdivisions, urban lot split subdivisions, conservation subdivisions, internal conversions, adaptive reuse, mixed-use development, tiny houses, efficiency dwelling units, micro-units, and shared housing. As novel methods of providing additional housing are developed, evaluate their feasibility and consistency.
- **Policy H-1.19: Upzoning.** Where feasible and consistent with the objectives of the General Plan, support requests by property owners to "upzone" their property to land use and zone classifications that allow for an increase in residential density, particularly where such properties are on or near the edges of zone districts with higher densities.
- **Goal H-2.** The City government actively facilitates the creation of a range of new affordable and market rate housing units to accommodate future growth and to address the needs of all socioeconomic segments of the community.
- **Policy H-2.1: Facilitate Diverse Options.** Facilitate the development of a diverse range of housing options including, but not limited to: single-family homes, Accessory Dwelling Units (ADUs), multi-family rental housing, condominiums, townhomes, live/work units, housing in mixed-use developments, dense multi-story developments, tiny houses, efficiency dwelling units, micro-units, shared housing, owner-occupied affordable housing, and other housing types.
- **Policy H-2.8: Mixed-Use Residential.** Promote and encourage the development of new residential units in mixed-use zones, with particular emphasis on multi-story buildings, upper floor residential units, and residential units near transit stops.
- **Policy H-2.15**: **Mixed-income Housing.** Encourage the development of mixed-income housing that includes various household compositions to accommodate a range of ages and family types.

Core Area Policies

- **Policy LU-2.1: Core Area Uses and Activities.** Support the following uses and activities within the Core Area...(c) **Housing** including the rehabilitation and conversion of vacant upper floors of buildings and portions of buildings that do not have street frontage;
- **Policy LU-2.13: Residential as Permitted Use.** Allow residential uses as a permitted use in all Core Area zoning districts.
- **Policy LU-2.14: Housing Expansion and Integration.** Expand the supply of housing in the Core Area through the vertical and horizontal integration of residential uses with other uses.

City-Owned Parking Lots: Housing Element Implementation H-34 calls for the City to put six Downtown parking lots up for sale or lease for the creation of affordable housing; this will result in increased development of high-density housing for a mix of income levels in the mixed-use Core Area in proximity to commercial and community services, employment opportunities, major transportation corridors, and transit stops, consistent with the policies listed above. The initiative does allow for high-density residential uses on the City-owned parking lots, including the six Downtown Housing Element lots, consistent with Policy LU-2.13, but imposes a high parking mandate on such development, threatening the viability of planned affordable housing development on four of the Housing Element lots (the two Linc Housing parcels and the two contiguous HTA Transit Hub parcels; the two Wiyot parcels are exempt from the initiative as long as they are under Wiyot control), and making all future residential projects (both affordable and market-rate) more difficult, inconsistent with the intent of Policy LU-2.13 and with the other housing goals and policies listed above.

Jacobs Site: The initiative would reserve 40% of the Jacobs Site for high-density housing, and would allow for a diverse array of housing types on the remainder of the site, in addition to a variety of other non-residential uses. These actions "upzone" the Jacobs Site, making additional land within the City available for housing in an area that is relatively close to goods and services at the Eureka Mall and along Broadway, consistent with the Citywide housing policies listed above. However, if the intent of the initiative is to replace the Downtown Housing Element sites with the Jacobs Site, that swap is not consistent with the housing policies. The City owns the Downtown Housing Element sites and has made significant progress towards developing affordable housing at those sites, with identified developers, funding sources, and completed environmental review and other entitlements. In contrast, the City does not own the Jacobs Site, and the current owner (the School District) is in negotiations with California Highway Patrol (CHP) for purchase of the site for a CHP office, and the CHP are not required to follow local zoning. Even if the CHP or another state agency does not purchase the site, the requirement to dedicate 40% of the site to high-density residential development does not mean that any residences would necessarily be constructed, just that 40% of the total ground area could not be redeveloped with other uses. For example, the ball fields which take up approximately 40% of the site could be reserved for high-density residential development, but could remain as ball fields in perpetuity, as a grandfathered legally-existing nonconforming use.

Dense, Mixed-Use Infill that is Walkable, Bikable, and Transit-Friendly

The 2040 General Plan includes a significant number of policies supporting dense, mixed-use development that is pedestrian-, bike-, and transit-friendly, particularly in the Core Area where the implicated parking lots are located:

- Policy LU-1.2: Compact Form. Provide for a compact pattern of mixed land uses at densities/intensities consistent with the development patterns Eureka experienced from the 1870s to the 1940s and at densities/intensities that are higher than were allowed in the past three general plan updates. Focus this compact pattern of land uses to radiate out from the Core Area, Employment Areas, Commercial Corridors, and Commercial Centers to make efficient use of the City's limited remaining developable lands and to promote walkability and urban growth.
- **Policy LU-1.3: Beneficial Development.** Support development that affords benefits to all segments of the community that...(b) Provides for mixed use development; (c) Develops underutilized or vacant parcels; (d) Reuses and expands upon underutilized or dilapidated buildings; (g) Encourages people to walk, bike, or use transit; (j) Applies practices that help to reduce development's carbon footprint...
- **Policy M-1.6: Dense Development.** Integrate transportation and land use decisions to enhance opportunities for development that is compact, walkable and transit friendly.
- **Policy U-5.2: Energy Conserving Land Use Practices.** Implement energy conserving land use practices that include compact and mixed use development, provision of bikeways and pedestrian paths, and the incorporation and enhancement of transit routes and facilities.
- **Policy LU-3.1: Variety of Commercial Uses.** Provide sufficient land for a broad range of viable commercial, office and mixed uses to meet the needs of the community, capture local and visitor spending, and contribute to the City's economic vitality.
- **Policy LU-3.2: Reinvestment.** Support public and private efforts to reinvest in, renovate and maintain existing commercial areas to improve aesthetic appearance, elevate community image, increase economic competitiveness, and integrate mixed uses.
- **Policy LU-6.1: Development Regulations and Standards.** Modify City regulations and standards in commercial zones to allow for greater intensities and building heights than have been allowed in the past...
- **Policy 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.
- **Policy H-1.0: Building Heights and Floor Area Ratios.** Allow multi-story buildings in Mixed Use zones with building heights and floor area ratios in excess of existing buildings in order to promote dense upper-floor residential and mixed-use developments.

Policy H-2.4: Maximum Density Infill. Promote and encourage the development of the last remaining vacant lots in the City with housing units at the highest density allowed in each respective zone district.

Core Area Goals and Policies

- **Goal LU-2.** A thriving, compact, and pedestrian oriented Core Area that serves as the heart of Eureka's civic, cultural, business and visitor activity and is appealing to new investment.
- **LU-2.1: Core Area Uses and Activities.** Support the following uses and activities within the Core Area:
 - a. **Mixed-use** emphasizing a highly-interactive retail and service environment at the street level with office and residential uses primarily above the first floor and in portions of buildings that do not have street frontage;
 - b. **Evening Uses** and activities that extend the hours of activity in the Core Area;
 - c. **Housing** including the rehabilitation and conversion of vacant upper floors of buildings and portions of buildings that do not have street frontage;
 - d. **Incentivized live-work and mixed use spaces** that allow for joint living and working quarters that are promoted through reduced or eliminated parking requirements and other incentives;
 - e. **Neighborhood markets** and other services needed to serve the residents and employees of the district;
 - f. **Specialty and boutique shops, restaurants, and other locally-owned storefront businesses** (see Figure LU-1) with particular focus on the creation of a distinct pedestrian oriented shopping district from C Street to I Street, and the Waterfront to 3rd Street;
 - g. Cultural and art related facilities and events that attract patrons with particular focus on the creation of a cultural arts/theater district and renovation of the Ingomar Theater and other historic facilities;
 - h. Visitor serving uses and recreational activities on street frontages;
 - i. Waterfront hotel(s) to draw new visitors to businesses in the Core Area and throughout the City.
 - **j. Vacation rentals** that draw new visitors to businesses in the Core Area and throughout the City.
 - k. **Professional and business services**, such as attorneys, realtors, architects, engineers, investment specialists, and other professional fields that provide a daily customer base for the retail and food-related uses in the area.
 - l. **Craftsman shops** where items such as baked goods, glass, pottery, small furniture, clocks, and other specialized items are made and sold onsite.
 - m. **Public spaces** such as plazas, squares, parks, pocket parks, parklets, small community gardens, trails, boardwalks, piers, and public and private recreational uses including the redesign and retrofit of the Gazebo and Clark Plaza to increase their usefulness, safety and comfort;
 - n. Government facilities and services consolidated into a regional center of civic offices, services, and functions.

Policy LU-2.12: Building Intensity. Encourage new development in core areas to achieve the maximum allowable building intensity to the extent compatible with the surrounding context.

Note: In addition to the goals and policies listed here, Goal M-3, and Policies M-3.1 through M-3.12, AQ-1.10 and H-6.5 are dedicated to supporting pedestrians and bicyclists, while Goal M-4 and Policies M-4.1 through M-4.8, H-6.6, and AQ-1.9 are dedicated to promoting transit. Goal M-1, Policies M-1.1 through M-1.10, M-2.9, AQ-1.7, and AQ-1.11, support both transit and non-motorized transportation (i.e., multi-modal options).

City-Owned Parking Lots: All of the City-owned lots implicated by the initiative are located in mixed-use zoning districts that allow for a broad array of uses at high densities/intensities, consistent with the above listed goals and policies. The initiative would only allow high-density residential development on the subject lots, and only if the development included ground-floor or garaged public parking with at least as many public parking spaces as are currently available. This prevents mixed-use development and reduces the maximum potential density/intensity of development in the Core Area and is therefore not aligned with the 2040 General Plan's vision for a dense, mixed use Core Area. The initiative does allow (but does not require) bicycle parking on the lots, but only at 5% of the number of vehicular parking spaces available in each respective parking lot, which would be a requirement of the Building Code for new construction regardless of the initiative.

<u>Jacobs Site</u>: The initiative would reserve 40% of the Jacobs Site for high-density housing, and would allow for a diverse array of housing types on the remainder of the Jacobs Site, in addition to a variety of other non-residential uses. These actions increase the mix and density/intensity of uses allowed on the property, consistent with the goals and policies listed above. However, if the intent of the initiative is to swap density/development between the Core Area parking lots and the Jacobs Site, ¹ that is not aligned with Goal LU-2 and Policies LU-2.12 and LU-1.2 which specifically call for focusing growth in the compact Core Area.

Parking

The 2040 General Plan includes a number of policies about parking. Not only are none of these policies concerned about a lack of parking supply, but many of them are focused on de-prioritizing standard vehicle parking.

¹ The State Housing Crisis Act of 2019 prohibits the City from making changes to its Zoning Code or General Plan that would individually or cumulatively reduce a site's residential development capacity, unless the City concurrently changes the development standards, policies, and conditions applicable to other parcels within the City to ensure that there is no net loss in residential capacity [Government Code Section 66300(b)(1)(A)]. The initiative imposes a significant parking mandate on 21 City-owned lots, reducing their residential capacity. The rezoning of the Jacobs Site to allow for residential use where it is not currently allowed is an attempt to counter-balance the parking requirement to maintain consistency with the State Housing Crisis Act. The 21 City-owned parking lots total 5.76 acres of land, while approximately 5.6 acres of land on the Jacobs Site would be reserved for high-density residential development under the initiative.

There are policies about enhancing and maintain parking lot safety (Policy M-5.3); prioritizing parking for electric vehicles and shared transportation such as carpools and carshare (Policies M-5.5, M-1.10, and AQ1.4); and preparing for self-driving cars, including through the reduction of parking lot and space requirements (Policy M-5.6). There are also policies calling for ongoing study of the City's parking system, and for addressing parking issues through better parking management rather than more parking:

Policy M-5.1: City-wide Parking Management. Conduct analysis to better understand the City's non-residential parking needs on a broad scale and then develop a City-wide Parking Management Plan.

Core Area Policies

Policy LU-2.5: Parking Analyses and Fundraising. Study the concept of expanding the Parking Assessment District to cover the entirety of the Core Area and collecting an assessment in the district. Initiate periodic parking studies to assess potential parking needs, capacities, and recommended actions. Actively manage public parking facilities, including the raising of funds for the development, maintenance, and operation of parking facilities as appropriate.

Policy M-5.2: Parking Management Program. Continue to work with Core Area business and property owners to develop a parking management program, such as a parking permit program, to balance the long and short-term parking needs of residents, employees, business patrons, and tourists. Include a curb zone management program that defines users/uses of curb zone space to include delivery trucks, buses, taxis, ride share companies, bike parking, bike share, and parklets.

<u>City-Owned Parking Lots</u>: Consistent with these policies, the City performed annual parking counts in City-owned public parking lots each summer from 2011-2019, and again in 2023. The City also hired TJKM Transportation Consultants to perform a parking study for the Old Town and Downtown, which examined traffic data during 2016, 2017, 2019, and 2021. The Parking Study noted that 85% parking lot occupancy is a practical threshold that indicates a healthy balance between supply and demand. The parking counts show that many of the City-owned public parking lots required to be retained by the initiative are well below this threshold, including during the most recent 2023 count:

Summer 2023 Average Total Percent Occupancy

	9:00 AM	11:00 AM	1:30 PM	3:30 PM
SW corner 1st & C	30%	30%	33%	31%
1st between C & D	33%	61%	70%	70%
SE corner 1st & D	77%	92%	85%	82%
SE corner 1st & E	96%	100%	94%	96%
NE corner 2nd & H	91%	97%	95%	76%
NW corner 3rd & I (Metered)	16%	16%	26%	18%
NE corner 3rd & L	50%	57%	63%	59%

3rd Between G & H (Metered)	21%	38%	46%	43%
SW corner 3rd & G (2hr Meter)	26%	97%	84%	66%
SW corner 3rd & G (10hr Meter)	83%	100%	90%	75%
3rd Between E & F	56%	92%	100%	97%
SW corner 3rd & E	97%	97%	94%	98%
NW corner 3rd & D (Metered)	27%	45%	37%	42%
NW corner 5th & D (Metered)	87%	84%	82%	85%
NE corner 8th & G (Metered)	46%	50%	51%	50%
NW corner 6th & M	95%	89%	82%	80%
2nd & L (West parking lot)	4%	2%	4%	2%
2nd & L (East parking lot)	4%	4%	2%	0%

The Old Town/Downtown parking study found that while there are pockets of concentrated demand where there is 85% occupancy or greater during peak weekday and weekend hours, overall parking occupancy remains well below the 85% threshold. The Study determined that issues with finding parking are largely management-related, including a lack of public awareness of available parking options, conflicts between long-term employee/resident parking and short-term visitor parking, and concerns with walking to and from less centrally-located underutilized public parking lots. Pro Forma Advisors used Placer.ai, a foot traffic tracking service, to examine trends in the Core Area (Downtown, Old Town, and Library District) and found that a majority of trips are coming from a less than 10-mile radius, and that people traveling to the area are often visiting multiple destinations within walking distance of each other. This data tells us that there is potential to rely less on cars to access and move around the Core Area, which supports investment in transit, bike, and pedestrian infrastructure as a way to reduce parking demand.

Consistent with Policies LU-2.5, M-5.1, and M-5.2, the City is working to address parking issues through active parking management based on data collection and analysis. In contrast, the initiative would require retention of 688 existing parking spaces in 21 existing parking lots, not informed by any previous data or analysis, and without any flexibility to reduce, relocate or redistribute that parking in the future based on future analysis. The initiative focuses on preserving and growing parking supply rather than improving parking management and makes it more difficult for the City to actively manage its public parking facilities, inconsistent with the aforementioned General Plan policies.

The following policies focus on hiding parking behind buildings and reducing the number of driveways on streets:

Policy LU-1.3: Beneficial Development. Support development that affords benefits to all segments of the community that...(k) Develops intersection corners and street frontages with buildings instead of parking lots...

Policy LU-1.18: Parking Access. Where feasible and desirable, require off-street parking to be accessed from alleys.

Core Area Policies

- **Policy LU-1.19: Pedestrian-oriented Design.** In the downtown, commercial core, mixed use, and neighborhood commercial areas, promote the creation of a strong and appealing pedestrian environment by requiring the use of transparent commercial storefronts (i.e., windows and doors) and continuous and compatible building facades, while prohibiting the creation of blank walls and discontinuity in building facades.
- **Policy M-5.4: Parking Lot Location.** Discourage placement of parking lots along major commercial, high pedestrian-use street frontages, and corners in the interest of maintaining continuous building frontages along the primary commercial streets and improving walkability in the Core Area.

<u>City-Owned Parking Lots</u>: Policy M-5.4 specifically discourages parking lots along major commercial, high pedestrian-use street frontages, and corners in the Core Area, which is where the surface parking lots implicated by the initiative are located. By requiring the retention of existing public parking capacity at each site, the implicated sites would be unlikely to support any development at street-level other than parking. Street-facing parking lots detract from the pedestrian-environment, inconsistent with Policy LU-1.19.

The following policies call for reducing and removing parking requirements to incentivize and allow for development:

- **Policy LU-1.10: Parking Standards for Existing Buildings.** Allow developed sites to change uses without requiring more parking than can adequately be provided on-site, even if the number of parking spaces is below the minimum required for the use.
- **Policy LU-1.17: Parking.** Support coordinated "park once" strategies and allow flexibility in meeting required parking. Support coordinated, tandem, and shared parking facilities that allow users to park in one location and visit multiple destinations. Establish context-based mechanisms in the Zoning Code that allow for parking reductions for new development.
- Policy H-1.7: Parking Standards and Parking Management. In Mixed-Use and Multi-Family Residential zones, continue to provide regulatory options in which the number of required parking spaces for housing development can be reduced or eliminated to incentivize the creation of denser-than-average housing development. Regularly review and modify development standards related to the required amount of parking for the development of new housing, as well as the management of on-street parking. Seek to optimize the balance between parking supply, parking management, and the creation of new housing units. Default on the side of prioritizing the creation of new housing units over the creation of parking spaces.

Core Area Policies

- **Policy LU-2.1: Core Area Uses and Activities.** Support the following uses and activities within the Core Area...(d) Incentivized live-work and mixed use spaces that allow for joint living and working quarters that are promoted through reduced or eliminated parking requirements and other incentives...
- **Policy LU-2.6: Parking for Urban Uses.** Eliminate or reduce parking requirements, including for residential uses, in the Core Area, in order to increase the feasibility of new development.

<u>City-Owned Parking Lots</u>: Policies LU-2.1 and LU-2.6 are focused on reducing or eliminating parking requirements in the Core Area to incentivize and increase the feasibility of new development, and Policy H-1.7 calls for prioritizing the creation of new housing units over the creation of parking spaces. The initiative imposes a large parking requirement on City-owned parcels in the Core Area, including the Linc Housing and HTA Transit Hub parcels planned for affordable housing, where adherence to the parking requirement would result in the affordable housing projects becoming infeasible. The initiative clearly prioritizes parking over new development, inconsistent with these policies.

The following policies call for allowing required parking spaces for residential units in mixed-use and multi-family residential zones to be reduced for developments that provide transit passes to residents and/or additional bicycle parking beyond the minimum required by the code:

- **Policy H-1.8: Transit Passes.** In Mixed-Use and Multi-Family Residential zones, continue to provide regulatory options in which required parking spaces for residential units can be waived for developments that provide perpetual transit passes for tenants. Encourage developers to provide transit passes to reduce the cost of housing development, as well as generate denser-than-average housing development, thereby leading to more housing. (RDR, PI) (Implemented by: Imp H-2; Imp H-7)
- Policy H-1.9: Bike Parking. Continue to provide regulatory options in Mixed-Use and Multi-Family Residential zones that require bicycle parking spaces for residential units, and can reduce the number of vehicle parking spaces required in exchange for additional on-site bicycle parking, beyond the minimum number of bicycle parking space required by the zoning code. Encourage developers to provide bike parking to reduce the cost of housing development as well as to generate denser-than-average housing development, thereby leading to more housing.

<u>City-Owned Parking Lots</u>: The City's Inland Zoning Code currently grants reductions to required onsite parking for the provision of transit passes to residents and for additional bicycle parking, consistent with these Housing Element policies. The initiative would not only remove these allowed parking reductions at the implicated inland parking lots, but would also require additional ground floor or garaged public parking to accommodate at least as many public parking spaces as are currently available (i.e., the initiative would require any future housing developments to include public parking for the community as well as private parking for onsite residents,

without any potential for parking reductions). The initiative is therefore inconsistent with Policies H-1.8 and H-1.9.

Policies M-5.7 and M-5.8 are about removing free parking and instead requiring payment for parking in order to promote a shift to non-single occupancy vehicle travel:

Policy M-5.8: Unbundling Parking Costs. Support the separation of parking costs for multifamily residential developments such that parking for residents or building occupants is available for an additional price thereby reducing existing parking requirements and promoting other modes of travel.

Core Area Policy

Policy M-5.7: Paid Parking. Explore removing free parking in the Core Area and evaluating how paid parking may be used to promote a shift to non-single occupancy vehicle travel.

<u>City-Owned Parking Lots</u>: These General Plan policies acknowledge how abundant free parking incentivizes people to buy and use cars rather than walk or bike, and how making parking more difficult promotes behavioral change. The initiative's concern with protecting parking is not aligned with these policies.

Intermodal Transportation Center

Policy M-4.3 calls for the City to work with Humboldt Transit Authority on an intermodal transportation center, Policy H-2.20 calls on the City to support enhanced transit services that complement development of mixed-use and affordable housing, and Policy M-4.5 calls on the City to encourage public transit use specifically in the Core Area:

- **Policy M-4.3: Intermodal Transportation Center.** Work with Humboldt Transit Authority to explore the development of an intermodal transportation center that would provide a central focal point for all transportation modes serving Humboldt County, including buses, cabs and limousines, rideshare, railroad passenger service, bay excursion services, horse-drawn carriages, and possibly cruise ships, trolleys, and carshare.
- **Policy 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.

Core Area Policies

Policy M-4.5: Transit Use. Work with Core Area employers, workers, residents, and visitors to encourage public transit use, thereby reducing traffic congestion and parking demand in the Core Area.

<u>City-Owned Parking Lots</u>: The City is actively working with Humboldt Transit Authority on the development of an intermodal transit center which would include ground floor commercial space and upper floor affordable housing, at a central location on 3rd Street between G and H Streets. The initiative would prohibit use of the selected site for a transit center, delaying the project and potentially affecting its ability to rely

on \$10 million in 2022 Transit and Intercity Rail Capital Program grant funding HTA was awarded by California State Transportation Agency.

Reuse of School Sites

The 2040 General Plan includes a policy regarding reuse of old school sites:

Policy CS-3.7: School Site Reuse. Encourage reuse of former schools, and consider reopening schools when warranted by student generation.

<u>Jacobs Site</u>: The initiative requires the City to rezone the Jacobs Site (currently zoned Public Facilities) to allow for a diverse array of uses on 60% of the site, and to reserve the remaining 40% for high-density housing. Expanding allowed uses encourages reuse of this former school site, consistent with Policy CS-3.7.

Residential Neighborhoods

The initiative would change what uses are allowed at the Jacobs Site, which is located in an existing residential neighborhood, with City land designated for low-density residential to the east and west, unincorporated County land also zoned for low-density residential to the south, and Alice Birney Elementary School directly north, with low- and medium-density residential further north. Applicable 2040 General Plan goals and policies related to existing residential neighborhoods are listed below:

- **Goal LU-5.** Safe, walkable, and well maintained neighborhoods that provide a diversity of quality housing choices.
- **LU-5.5: Existing Neighborhoods.** Protect and enhance the integrity of Eureka's existing neighborhoods by: (g) Ensuring that new or renovated structures are compatible with the established character, development form, and function of the neighborhoods...
- **LU-5.7: Neighborhood Services.** Support the retention, upgrading and expansion of small neighborhood markets, restaurants and services that are compatible with the residential environment and provide for the daily needs of nearby neighborhoods.

Jacobs Site: The initiative requires the City to rezone the Jacobs Site to allow for a diverse array of uses on 60% of the site, and to reserve the remaining 40% for high-density housing. Expanding allowed uses to a broad array of residential, commercial, civic, and public facility uses makes the Jacobs Site more attractive for redevelopment. Redevelopment of a 14-acre site that has been vacant for over a decade would be beneficial to the safety of the neighborhood, and allowing low-, medium-, and high-density housing could expand housing choices, consistent with Goal LU-5. The rezone would also allow neighborhood markets, restaurants, and services at the Jacobs Site that could provide for the daily needs of surrounding residences, consistent with Policy LU-5.7. However, by requiring a significant number of uses to be allowed by right at the Jacobs Site, including principally permitted Downtown uses like bars, indoor vehicle sales, wireless telecommunication facilities, and general cannabis use, the initiative could result in development in conflict with the established character and form of the neighborhood, inconsistent with Policy LU-5.5.

Local Control

The following policy calls for maintaining local land use control:

Policy LU-6.10: City Control. Maintain local control over land use and development decisions to the maximum extent possible.

<u>City-Owned Parking Lots</u>: As discussed in the Elections Code 9212 report on the initiative, the initiative could result in the City's Housing Element becoming out of compliance with State Housing Element law. Under the Housing Accountability Act [Government Code Section 65589.5(d)], jurisdictions without a substantially compliant Housing Element cannot rely on inconsistency with zoning and General Plan standards as a basis for denial of a housing project for very-low-, low-, or moderate-income households. This is known as "the builder's remedy" and would allow housing development projects to ignore City code standards, stripping the City of local land use control, inconsistent with Policy LU-6.10.

Grant Funding

The policies below call on the City to pursue grants and other funding sources to support economic development, infrastructure and housing construction/rehabilitation:

- **Policy E-1.12:Funding Sources.** Identify and pursue grants and other federal, state, and local funding sources to support economic development planning, programs, and projects.
- **Policy H-2.18: Grants for Housing**. Actively monitor State and Federal grant/loan programs directed at the construction and/or rehabilitation of housing. Pursue grants that satisfy other goals/policies.
- **Policy M-2.6: Funding for Infrastructure Improvements.** Identify, develop, and prioritize transportation projects that are eligible for Federal and State funds and continue to pursue all available options for funding new and improved street and highway facilities.

City-Owned Parking Lots: Surplusing City-owned property for affordable housing not only supports housing, but also economic development, as people who have access to affordable housing (i.e., pay no more than 30% of their income on housing) have more dispensable income to spend in Eureka and are less likely to become homeless, and businesses have an easier time recruiting and retaining employees. The initiative's parking requirement on the City-owned parcels planned for affordable housing (the two scattered Linc Housing parcels and two contiguous HTA Transit Hub parcels) could raise cost per dwelling unit to a point where affordable housing development would no longer be eligible for state lending, and the addition of parking would decrease competitiveness for affordable housing funding predicated on sustainable/smart growth principles, such as the \$30.1 million Affordable Housing and Sustainable Communities grant and loan recently awarded to Linc Housing. In addition, if the initiative results in the City's Housing Element becoming out of compliance with State Housing Element law, the City would become ineligible for receiving state funds that the City regularly relies on to support housing, infrastructure and other forms of economic development,

including PLHA and CDBG funds, and Caltrans STP grants. Therefore, the initiative is not aligned with the intent of Policies E-1.12, H-2.18, and M-2.6.

City Support for Businesses

The following goal and policies call on the City to support expansion of job- and revenue-generating uses and provide the infrastructure necessary for economic growth.

- **Goal E-1.** A welcoming and supportive environment for businesses to grow, thrive and continue to contribute positively to Eureka's economy.
- **Goal E-3.** Abundant opportunities to facilitate the establishment and expansion of key job and revenue generating uses within the City.
- Goal E-5. Infrastructure to meet the needs of existing and future businesses and industries.
- **Policy E-3.1: Targeted Industries.** Promote the retention, expansion, establishment, and recruitment of businesses and high quality jobs in key industries that build on Eureka's competitive advantages and community assets as identified in the City's Economic Development Strategic Plan...
- **Policy E-5.1: Access, Infrastructure and Services.** Ensure that convenient access to major transportation facilities, adequate utility and telecommunications infrastructure, high speed broadband, and sufficient public services are available and/or programmed to support commercial and industrial areas.
- **Policy E-5.8: Investment in Facilities.** Invest in and/or promote key facilities to support economic growth.
- **Policy E-8.4: Revenue Generation**. Encourage the establishment and expansion of local businesses and development of commercial uses and other types of property with high assessed valuation and those that generate new sales, use, and transient occupancy tax revenues.
- **Policy LU-1.3: Beneficial Development.** Support development that affords benefits to all segments of the community that... (f) Enhances the City's tax base...

<u>City-Owned Parking Lots</u>: City property can be used as a tool to attract beneficial businesses and employers to the City, as demonstrated by the City's use of City-owned sites to attract affordable housing developers. The initiative would prevent any development except for high-density residential and parking on 21 City-owned parcels, removing the City's ability to sell or lease all or portions of the sites for other uses in the future, including revenue- and employment-generating uses.

According to an analysis prepared by Pro Forma Advisors, if the City-owned parking lots are required to maintain their existing supply of public parking, that will make affordable housing infeasible, forcing the City to take other actions to meet its lower income RHNA requirements, such as adopting minimum housing density standard for

privately owned parcels, so that when property owners apply to develop their vacant sites, they are required to build a minimum number of housing units [Government Code Section 65583(c)(1)(A)]; and/or adopting an inclusionary housing requirement requiring any applicant for market-rate housing to build a certain percentage of their units as deed-restricted affordable housing. Inclusionary housing requirements are a tactic the City has tried to avoid by using City-owned property to accommodate the City's low- and very-low income RHNAs, because of the fear such requirements will stifle private development.

City Fiscal Health

A number of 2040 General Plan policies are concerned with the City's fiscal health, including the following:

- **Goal E-8.** Sustainable fiscal management practices that strengthen the City's ability to provide essential public services and a high quality of life.
- **Policy E-8.1: Fiscal Impact Analysis.** Where appropriate, consider a fiscal impact analysis be conducted in conjunction with the review of proposed zoning and General Plan amendments to document effects on the City's economic and fiscal condition. Incorporate project mitigation as appropriate to maximize benefits, minimize costs and ensure the City's long-term fiscal health.

The initiative would require zoning and General Plan amendments that are not supported by a fiscal impact analysis. If the initiative passes, the City would be required to undergo a resource-intensive General Plan and Zoning update, triggering a Housing Element amendment certification process with the California Department of Housing and Community Development and a Local Coastal Program amendment certification process with the California Coastal Commission, as well as environmental review under the California Environmental Quality Act. And any changes in the future that are contrary to the initiative would require another ballot measure, which would be costly. The progress the City has made towards affordable housing development on four lots could be lost, and the City's Housing Element could fall out of compliance with State Housing Element law, resulting in the City becoming ineligible for a number of grants the City regularly relies on. As a result of all of this, the initiative could negatively impact the City's long-term fiscal health, inconsistent with the intent of Goal E-8 and Policy E-8.1.