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Prepared January 22, 2021 for the February 12, 2021 Hearing

- **TO:** Coastal Commissioners and Interested Persons
- **FROM:** Alison Dettmer, Chief Deputy Director Robert S. Merrill, North Coast District Manager Cristin Kenyon, Supervising Analyst
- SUBJECT: City of Eureka LCP Amendment No. LCP-1-EUR-20-0009-1, Part B (CS District Height Limit)

SUMMARY OF STAFF RECOMMENDATION

The City of Eureka (City) is proposing to amend the Implementation Program (IP) portion of the City's certified Local Coastal Program (LCP) to increase the building height limit within the Service Commercial (CS) District from 35 feet to 55 feet.

This amendment would make the coastal CS District's height limit consistent with the inland CS District's height limit, established under the June 2019 uncertified Inland Zoning Code Update. The City is bringing this change forward to accommodate a proposed hotel development.

Under the proposed amendment, only the height limit would change; all other existing development standards in the CS District would remain unchanged, including allowable density. As a result, the main Land Use Plan (LUP) consistency concern raised by the amendment is protection of visual resources. Most of the City's CS-zoned properties are within the City's relatively dense urban core, set back from the Humboldt Bay shoreline, where the height change would not impact coastal views or visual character.

There are, however, three pockets of CS-zoned properties interspersed within vast open space areas in and adjoining the northeastern portion of the City, northeast of Eureka Slough, on the inland side of Highway 101 (See Area #3 on Exhibit 3). The highway along this corridor affords scenic views not only of the bay to the west, but also of picturesque wetlands, sloughs, forested hills, and coastal agricultural lands inland (north/east) of the highway. Taller buildings would be very prominent in this low-profile, lightly-developed area. The existing buildings in the three small CS zoning districts within this large open space area are generally one and two-story. Although the existing 35-foot height limit can accommodate buildings of up to three stories, few exist. The proposed 55-foot height limit would accommodate five-story buildings. In addition, because of the flat topography, there are locations along the highway where planted trees and riparian vegetation along roadside ditches and sloughs partially screen the existing low-lying commercial development from view. Taller buildings would be less effectively screened and could impact the scenic and visual quality of this heavily-traveled coastal highway segment, inconsistent with the visual resource protection policies of the certified LUP. Commission staff therefore recommends **Suggested Modification 1** to retain the existing 35-foot building height limit on CS-zoned lands along the inland side of Highway 101 northeast of Eureka Slough in the northeastern portion of the City.

Staff recommends that the Commission reject the proposed IP amendment as submitted and approve the amendment only as modified to ensure that the IP amendment is in conformance with and adequate to carry out the certified LUP policies. City staff has indicated its agreement with the Commission staff's recommendation.

The resolutions and motions are located on <u>Page 4</u>. The language of Suggested Modification 1 is located on <u>Page 5</u>.

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EXHIBITS

Exhibit 1 – Regional Location Map

Exhibit 2 – Map of City of Eureka's Coastal Zone and City Limits

Exhibit 3 – Map of Three Visually Distinct Geographic Areas of CS-District Zoning in Eureka's Coastal Zone

Exhibit 4 – Resolution of Transmittal and Ordinance of Adoption of IP Amendment

Exhibit 5 – Proposed Change to Zoning Schedule Table

Exhibit 6 – Coastal Scenic Views & Areas from Humboldt County's certified LUP

Exhibit 7 – Images of the Scenic Area Northeast of Eureka Slough

I. MOTIONS AND RESOLUTIONS

Staff recommends that the Commission, after public hearing, first reject the IP amendment as submitted and then approve the amendment if modified as suggested in the staff report. The Commission needs to make two motions in order to act on this recommendation.

1. Denial of the IP Amendment As Submitted

Staff recommends a **YES** vote. Passage of this motion will result in rejection of the implementation program amendment as submitted and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion 1: I move that the Commission reject Implementation Program Amendment No. LCP-1-EUR-20-0009-1, Part B as submitted by the City of Eureka.

Resolution 1: The Commission hereby denies certification of Implementation Program Amendment No. LCP-1-EUR-20-0009-1, Part B as submitted by the City of Eureka on grounds that the implementation program amendment as submitted does not conform with, and is inadequate to carry out, the provisions of the certified land use plan. Certification of the implementation program amendment would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the implementation program amendment as submitted.

2. Certification of the IP Amendment with Suggested Modifications

Staff recommends a **YES** vote. Passage of this motion will result in certification of the implementation program amendment with suggested modifications and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion 2: I move that the Commission certify Implementation Program Amendment No. LCP-1-EUR-20-0009-1, Part B for the City of Eureka if modified in accordance with the suggested changes set forth in the staff report.

Resolution 2: The Commission hereby <u>certifies</u> the IP Amendment No. LCP-1-EUR-20-0009-1, Part B for the City of Eureka <u>if modified as suggested</u> on grounds that the implementation program, as amended, conforms with and is adequate to carry out the provisions of the certified land use plan. Certification of the implementation program amendment will comply with the California Environmental Quality Act, because 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the implementation program amendment on the environment, and 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

II. SUGGESTED MODIFICATION

The Commission hereby suggests the following modification to the proposed IP amendment, which is necessary to ensure that the IP conforms with and is adequate to carry out the policies of the LUP. If the City of Eureka accepts the suggested modification within six months of Commission action, by formal resolution of the City Council, the modified amendment will become effective upon the Executive Director's determination that the City's action is legally adequate and has reported that determination to the Commission at a Commission meeting.

Text shown below in <u>single underline</u> format denotes text that the City proposes to add to the certified IP, and text in single strikethrough format denotes text the City proposes to delete. Text in **bold double underline** format denotes text to be added through the Commission's suggested modification.

Suggested Modification 1

Modify the City's proposed amendment to certified IP section 10-5.201 to retain the existing 35-foot height limit on CS-zoned properties in the coastal zone inland of Highway 101 northeast of Eureka Slough:

Districts	Maximum Height of Main Structure Sec. 10-5.210
CS	<u>35 ft. inland of Highway 101 northeast</u> <u>of Eureka Slough;</u> 35 - <u>55</u> ft. <u>elsewhere</u>

Note: See Exhibit 5 for the full zoning schedule table of certified IP section 10-5.201 as proposed to be amended.

III. PROCEDURAL ISSUES

A. Standard of Review

Pursuant to Coastal Act section 30513, to certify the proposed amendment to the IP portion of the City of Eureka LCP, the Commission must find that the IP as amended would be in conformity with and adequate to carry out the policies of the certified LUP.

B. Public Participation

Section 30503 of the Coastal Act requires public input in preparation, approval, certification and amendment of any LCP. The City of Eureka's Planning Commission held a public hearing on the proposed amendment on November 13, 2019, and the City Council held a public hearing on January 7, 2020. The hearings were noticed to the public consistent with sections 13551 and 13552 of Title 14 of the California Code of Regulations. Notice of the subject amendment has been distributed to all known interested parties.

C. Procedural Requirements

Pursuant to section 13551(b) of Title 14 of the California Code of Regulations, a local government's resolution for submittal to the Coastal Commission may specify that a LCP amendment will either require formal local government adoption after Commission approval or state that it is an amendment that will take effect automatically upon the Commission's approval. In this case, the City's resolution of transmittal of the LCP amendment to the Commission for certification (Resolution No. 2020-04) indicates that the amendment will take effect automatically upon Coastal Commission approval and certification (Exhibit 4). Therefore, if the Commission certifies the LCP amendment as submitted, no further City action will be necessary to formally adopt the amendment. Should the Commission certify the LCP amendment subject to suggested modifications, final approval by the City and a determination by the Executive Director of compliance with section 13544 of the Commission deny the LCP amendment as submitted without suggested modifications, no further action is required by either the Commission or the City, and the proposed LCP amendment will not become effective.

D. Deadline for Commission Action

The City initially transmitted this IP amendment as part of a larger LCP amendment application to the Commission on February 3, 2020.¹ After a request for additional information, the amendment was filed as complete by the North Coast District Office on June 16, 2020. A one-year time extension was granted by the Commission on August 12, 2020. As a result, the last day for Commission action on this item is October 21, 2021.

E. For Additional Information

For further information, please contact Cristin Kenyon at the Commission's North Coast District Office in Arcata at Cristin.kenyon@coastal.ca.gov. Please mail correspondence to the Commission at the letterhead address. In addition, please send a copy of all correspondence or other documents electronically to <u>Northcoast@coastal.ca.gov</u>.

¹ LCP Amendment Application No. LCP-1-EUR-20-0009-1 consists of three parts: (1) Part A amends the IP to add a Q Combining District; (2) Part B (the subject amendment) amends the IP to increase the maximum building height within the CS Zoning District; and (3) Part C amends the IP zoning map and LUP land use map to change the land use designation and zoning on a single parcel in southern Eureka (APN 019-271-04). On May 13, 2020, the Commission concurred with the Executive Director's determination that Part A of the LCP amendment was de minimis, and Part A became part of the certified IP ten days later. On October 9, 2020, the Commission denied Part C as submitted and approved the amendment with suggested modifications. Part C was effectively certified at the Commission's January 13, 2021 hearing.

IV. FINDINGS FOR DENIAL OF THE IP AMENDMENT AS SUBMITTED AND APPROVAL IF MODIFIED AS SUGGESTED

The City of Eureka (City) is proposing to amend the Implementation Program (IP) portion of the City's certified Local Coastal Program (LCP) to increase the building height limit within the Service Commercial (CS) District from 35 feet to 55 feet. This entails making a change to the zoning schedule table contained in section 10-5.201 of the certified IP (see Exhibit 5).

Eureka is located on the eastern shore of Humboldt Bay. The City's portion of the coastal zone extends inland largely less than a quarter mile from the shoreline of Humboldt Bay, though in some areas, such as northeast of Eureka Slough, the coastal zone extends much further inland over unincorporated County lands (Exhibit 2). Commercial and industrial lands dominate the City's coastal zone in addition to large areas designated for natural resources and coastal agriculture.

There are currently 341 parcels in the CS District in the City's coastal zone, totaling approximately 265 acres (See Exhibit 3 for a map of the CS District). The purpose of the CS District is to provide appropriately located areas for retail stores, offices, service establishments, amusement establishments, and wholesale businesses for the residents of Eureka and the surrounding market area.

This amendment would make the coastal CS District's height limit consistent with the inland Service Commercial zoning district's height limit, established under the June 2019 uncertified Inland Zoning Code Update. The City is bringing this change forward to accommodate a contemplated hotel development.

Under the proposed amendment, only the height limit would change; all other existing development standards in the CS District would remain unchanged, including allowable density (the CS District has a maximum floor-area ratio of 120%). As a result, the main LUP consistency concern raised by the amendment is protection of visual resources.

Relevant LUP Policy

LUP section 5 (Recreational and Cultural Resources), Coastal Recreation and Access Policy 5.B.1 states in applicable part:

The City shall provide public open space and shoreline access throughout the Coastal Zone, particularly along the waterfront First Street, through all of the following:...(d) Consider and protect the scenic and visual qualities of coastal areas that are visible from scenic public vista points and waterfront walkways...

Consistency Analysis

LUP Policy 5.B.1 requires in part that the City consider and protect the scenic and visual qualities of coastal areas. Consistent with Coastal Act section 30251, this policy is not just about preventing blockage of views of Humboldt Bay and scenic coastal areas, but

also about ensuring that permitted development is visually compatible with the character of the surrounding area.

Eureka has many historic and architecturally significant structures which contribute considerably to its visual qualities, with many of the most significant landmarks located in Old Town and Downtown.² The historic Old Town/Downtown core is not zoned CS and will not be directly impacted by the subject amendment.

The CS-zoned properties in the City's coastal zone are broadly located in three visually distinct geographic areas: (1) clustered along the west side of Broadway (Highway 101) from southern Eureka north to 4th Street; (2) in an area directly east of Eureka's Old Town/ Downtown between Myrtle Avenue and Eureka Slough; and (3) on the northeastern end of the City on the inland side of Highway 101 northeast of Eureka Slough (see Exhibit 3).

Increasing the allowable building height on the CS-zoned properties clustered along Broadway as it travels north/south through urban Eureka will not have a significant adverse impact on views or visual quality (See Area #1 on Exhibit 3). These properties are located inland of the California Coastal Trail and thus will not block views of Humboldt Bay from the trail, and while these properties are located bayward of Broadway, views of the bay from the highway are already blocked by existing buildings (under the existing 35-foot height limit) and wetland/riparian vegetation. In addition, many of the intervening properties between the CS District and the bay are in the general industrial and coastal-dependent industrial zoning districts, which allow buildings as tall as 100 feet. As a result, buildings much taller than the proposed 55-foot limit could be constructed between the CS District and the bay.

In terms of visual character, Broadway, as it travels north/south through urban Eureka, is a wide thoroughfare fronted by sprawling commercial strips with large surface parking lots. As Broadway acts as the coastal zone boundary in this portion of the City, the CS properties on the inland side of Broadway are outside of the coastal zone where a 55-foot height limit has already been adopted. Thus, the proposed amendment will allow for a consistent maximum height on both sides of the corridor. Increasing the allowable height of buildings along the west side of Broadway could serve to improve the visual quality of the corridor, as taller buildings could better frame the wide street. Increasing the height limit will also allow developers greater flexibility with how they maximize allowable density, encouraging better design.

Raising the height limit in the cluster of CS-zoned properties between Myrtle Avenue and Eureka Slough will also not have a significant adverse impact on views or visual quality (See Area #2 on Exhibit 3). This area of the City is also largely flat and fully developed with existing one- to three-story buildings blocking views of Humboldt Bay to the north and Eureka Slough to the east. The area largely retains the City's historic

² Old Town itself is a designated National Historic District.

gridded street pattern, with occasional views of the shoreline to the north down street corridors that would be retained regardless of building heights. The California Coastal Trail in this area is also between the bay/slough and CS District development, so scenic views from the trail would not be impacted by taller buildings. Although the subject CS District area is directly east of the historic Old Town/Downtown core, given the relative locations of the districts and public vantage points, taller buildings in the CS District would not block the prominent scenic public views of the historic Old Town/Downtown core from the bay, the Samoa bridge, or Woodley Island.

Although the CS District between Myrtle Avenue and Eureka Slough includes older one to three-story homes, a number of which are locally registered historic properties, the area is transitional in character with many commercial and industrial properties interspersed with the older housing stock, including some very large-scale commercial developments such as the Red Lion Hotel and Target developments. Because of the diversity of scale and use, this urban area does not exhibit a consistent visual quality. Development of 55-foot-high commercial structures would be compatible with the diverse assemblage of structures in this area with diverse uses and varying building heights. It should also be noted that within the context of the broader surrounding urban area, many existing commercial structures several blocks away along Highway 101 in the center of the City are of similar height.

The third general area where CS-zoned properties are located is on the northeastern end of the City, east of Eureka Slough, on the inland side of Highway 101 (See Area #3 on Exhibit 3). This area includes properties along Jacobs Avenue, the Harper Motors development, and a portion of Indianola (including a parcel that contains an old drive-in movie screen). These three pockets of CS-zoned land along the inland side of the highway are separated by natural resource and agricultural lands, as well as open space lands associated with Murray Field, a rural airport. The highway along this corridor affords scenic views not only of the bay to the west, but also inland of picturesque wetlands, sloughs, forested hills, and coastal agricultural lands (See Exhibit 7 for aerial images of the area).³ These views inland are largely open except for the views of the existing commercial and industrial development within the three CS Districts and of the airport.

The scenic quality of this area is identified by the City's certified IP (section 10-5.2944.1), which designates City land northerly of Jacob's Avenue (including the airport and lands northeast of the airport) as a scenic coastal area of public importance.⁴ The

³ The Commission has recently received an application from the County of Humboldt (CDP Application No. 1-20-0560) to install the final leg of the Humboldt Bay Trail (a section of the California Coastal Trail) along this highway corridor. Once permitted and constructed, the trail would further increase the significance of this scenic coastal viewshed.

⁴ Consistent with Coastal Act section 30251, IP section 10-5.2944.2 requires permitted development within scenic coastal areas to minimize the alteration of natural landforms; be visually compatible with the character of the surrounding area; be sited and designed to protect views to and along the ocean and scenic coastal areas; and wherever feasible, restore and enhance visual quality in visually degraded

scenic quality of the area is also identified by Humboldt County's certified LUP (Humboldt Bay Area Plan, section 3.40-B), which identifies a segment of the highway near Indianola as a coastal view area, and an unincorporated area inland of the highway as a coastal scenic area (See Exhibit 6).⁵

The proposed new building height maximum is not likely to result in additional blockage of public views inland from the highway. The CS-District is largely developed, and, as a result of the flat topography, the existing buildings (under the 35-foot-maximum height standard) already block views of the rural agricultural and natural resource lands to the east. If 55-foot-tall buildings replaced the existing buildings, no additional views would be blocked beyond what is already blocked, and taller buildings with smaller footprints⁶ may actual block less of the viewshed.

However, taller buildings along this highway corridor would not be compatible with the visual quality of the surrounding scenic coastal area. The proposed 55-foot height limit would accommodate five-story buildings, and these taller structures would be very prominent and highly visible in this low-profile, lightly-developed area of generally one and two-story structures. While new buildings within the structurally dense urban core of the City would be surrounded by other buildings, any new five-story building at this urban/rural interface would be more visually prominent and conflict with the character of the setting. In addition, because of the flat topography, there are locations along the highway where planted trees and riparian vegetation along roadside ditches and sloughs partially screen the existing low-lying commercial development from view, to help blend the view of the buildings with the backdrop of grazed wetlands, sloughs, and forested hills. Taller buildings would be less effectively screened and blended with views of the open backdrops and thus could impact the scenic and visual quality of this heavily-traveled coastal highway segment. Thus, the amendment as proposed is inconsistent with and inadequate to carry out LUP Policy 5.B.1.

Suggested Modification 1 would avoid impacts to the scenic and visual qualities of the area by retaining the existing 35-foot building height limit on CS-zoned lands along the inland side of Highway 101 northeast of Eureka Slough in the northeastern portion of the City. The Commission finds that the City's IP amendment, as modified by

areas. IP section 10-5.2944.3 requires that views from scenic vista points be protected "by insuring that adjacent permitted development does not obstruct views to and along the scenic coastal areas."

⁵ Pursuant to Humboldt County's certified LUP, in coastal scenic areas, developments visible from Highway 101 shall be subordinate to the character of the area, and no development shall block coastal views to the detriment of the public.

⁶ The maximum floor-area ratio (FAR), which includes the square footage of all the levels (floors) in the building, is not proposed to change and will remain at 120%. As an example, on a 6,000 square foot lot, a structure could contain a total of 7,200 square feet of floor area. For a 35-foot tall, three-story building, each floor could be 2,400 square feet in area. For a 55-foot tall, five-story building, each floor could be 1,400 square feet in area. When a building's height is proposed at 55 feet instead of 35 feet, the footprint of the building may be smaller and achieve the same FAR, resulting in a taller, but narrower building.

Suggested Modification 1, conforms with, and is adequate to carry out, the requirements of the certified LUP, consistent with section 30513 of the Coastal Act.

V. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

As set forth in section 21080.9 of the California Public Resources Code, CEQA exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of a LCP. Instead, the CEQA responsibilities are assigned to the Coastal Commission, and the Commission's LCP review and approval program has been found by the Resources Agency to be the functional equivalent of the environmental review required by CEQA, pursuant to CEQA section 21080.5. Therefore, the Commission is relieved of the responsibility to prepare an EIR for each LCP and LCP amendment.

Nevertheless, the Commission is required, in approving an LCP amendment, to find that the approval of the proposed LCP, as amended, does conform with CEQA provisions, including the requirement in CEQA section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available that would substantially lessen any significant adverse impact which the activity may have on the environment [14 CCR §§13542(a), 13540(f), and 13555(b)].

The Commission incorporates its findings on LUP conformity into this CEQA finding as if set forth in full herein. As discussed throughout the staff report and hereby incorporated by reference, the IP amendment as originally submitted does not conform with and is not adequate to carry out the policies of the certified LUP. The Commission, therefore, has suggested one modification to bring the IP amendment into full conformance with the LUP.

As modified, the Commission finds that approval of the LCP amendment will not result in significant adverse environmental impacts within the meaning of CEQA. Further, future individual projects on the subject parcels would require coastal development permits. Throughout the coastal zone, specific impacts to coastal resources resulting from individual development projects are assessed through the coastal development review process; thus, an individual project's compliance with CEQA would be assured. Therefore, the Commission finds that there are no other feasible alternatives or mitigation measures which would substantially lessen any significant adverse impact which the activity may have on the environment [14 CCR §§ 13542(a), 13540(f), and 13555(b)].

APPENDIX A – Substantive File Documents

LCP Amendment Application No. LCP-1-EUR-20-0009-1 Part B and associated file documents.

City of Eureka Certified Local Coastal Program.

Humboldt County Certified Local Coastal Program.