

Notice of Exemption

Appendix E

To:	Office of Planning and Research	From: (Public Agency): City of Eureka			
	P.O. Box 3044, Room 113	531 K Stree	t		
	Sacramento, CA 95812-3044	Eureka, CA 95501			
	County Clerk County of: Humboldt	Planninger	rekaca (Addres	s)	
	825 5th Street - 5th Floor	, ,	gov		
	Eureka, CA 95501				
Proje	ect Title: Sunset Heights Multi-Family Afforda	ble Housing Devel	opment		
Proje	ect Applicant: City of Eureka				
Proje	ect Location - Specific:				
120	00 W. Harris Street (APNs 008-052	-024, 008-052	2-025, 008-05	2-026, and 008-052-0 32	
Proje	ect Location - City: Eureka	Project Lo	cation - County:	Humboldt	
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Nam	e of Public Agency Approving Project: City	of Eureka			
Nam	e of Person or Agency Carrying Out Project	City of Eureka. Rui	al Communities Hou	Ising Development Corporation	
)]]	npt Status: (check one): Ministerial (Sec. 21080(b)(1); 15268); Declared Emergency (Sec. 21080(b)(3)) Emergency Project (Sec. 21080(b)(4); 1 Categorical Exemption. State type and statutory Exemptions. State code number	5269(b)(c)); section number:	\$15332 (Class Guidelines §15194)	32) Infil!	
The §15 in C	sons why project is exempt: project meets the eligibility criteria for the A 194 and PCR §21159.23, as well as the add EQA Guidelines §15192 and PCR §21159.2	litional threshold in 21. The project is	equirements for tinfill development	the exemption contained t and also qualifies for	
exer	mption under CEQA Guidelines §15332. Se	e attached pages	tor turther explar	iation.	
	Agency act Person: Cristin Kenyon	Area Code	e/Telephone/Exte	ension: (707) 441-4160	
	ed by applicant: 1. Attach certified document of exemption fir 2. Has a Notice of Exemption been filed by t	nding. he public agency	approving the pro	oject? • Yes No	
Sign	ature: Chistiky	Date: 1/31/2025	Title: D	evelopment Services Director	
	■ Signed by Lead Agency Signed	by Applicant	FILED	halJb	
Authority cited: Sections 21083 and 21110, Public Resources Code. Reference: Sections 21108, 21152, and 21152.1, Public Resources Code. County of Humboldt Juan P. Cervantes County Clerk					
			12-2025-022		
			02/03/2025 sc		

CEQA EXEMPTION JUSTIFICATION MEMO

HEARING DATE: 12/11/24
To: Planning Commission

FROM: Cristin Kenyon, AICP, Development Services Director

SUBJECT: California Environmental Quality Act (CEQA) exemption memo for the Sunset Heights Multi-Family Affordable Housing Development at I200 W. Harris Street (APNs

008-052-024, 008-052-025, 008-052-026, and 008-052-032)

Project Description & Background

Rural Communities Housing Development Corporation (RCHDC) is proposing to construct 88 affordable housing units in four separate buildings on a 4.18-acre, City-owned property located between W. Harris and W. Henderson Streets directly east and upslope of Broadway. The project site is currently comprised of four contiguous parcels (Assessor Parcel Numbers [APNs] 008-052-024, -025, -026, and -032) and RCHDC proposes a lot line adjustment to reconfigure the four parcels into two, with two residential buildings proposed on each resultant parcel. The project site is currently vacant, with remnant paving on the southern two parcels from their previous use as a construction contractor's office and parking lot.

Each of the two resultant parcels will include 44 dwelling units, an indoor community center, office, and laundry facilities, as well as a central plaza between the two buildings. The dwelling units will be a mix of studios and one-, two-, and three-bedroom apartments, and each parcel will include an on-site manager's unit. The four buildings will have a total combined footprint of 29,200 square feet (sf), with one three-story building and one two-story building on Resultant Parcel I (with a combined floor area of 40,600 sf), and one four-story building and one two-story building on Resultant Parcel 2 (with a combined floor area of 42,100 sf).

The project site is primarily located in the Residential Medium Zoning District (R2 District), except for approximately 0.51 acres at the southern end of the project site fronting Harris Street zoned Service Commercial (SC). RCHDC proposes to use concessions as allowed by State Density Bonus law to deviate from City development standards, including exceedance of the 35-foot maximum building height allowed in the R2 District for the proposed three- and four-story buildings (Eureka Municipal Code [EMC] §155.204.030, Table 204-3), and deviation from a design standard requiring street-facing building entrances (EMC §155.312.040; Eureka, 2023).

The western edge of the site includes a steep bluff, and the proposed residential buildings are set back from the bluff a minimum distance of 33 feet, as recommended by a site-specific geotechnical report (LACO, 2022). Although the site is 4.18 acres in size, only 1.69 acres are able to accommodate buildings due to the steep bluff and bluff setback.

Landscaping and six-foot-tall fencing are proposed around the development footprint, including in the bluff setback. Trash enclosures and bicycle parking are also proposed on both resultant parcels. The site plan indicates stormwater runoff from the project site will be directed to a large bio-retention area at the northwestern corner of the project site.

A parking lot with 42 vehicular spaces is proposed along the eastern portion of the site spanning both resultant parcels. The plan is for one-way vehicular access across the site from W. Henderson to W. Harris Street (north to south). A paved sidewalk is proposed along the western edge of the parking lot connecting the proposed buildings to the adjacent streets.

The project will trigger public improvement requirements, including grading and paving of the adjacent alley. The City will also require installation of adequate utility service connections to the site consistent with City standards. According to referral comments from Public Works – Engineering, a water main extension will be required, connecting to the existing water mains on W. Harris and W. Henderson Streets (creating a new loop), and a gravity sewer connection can be achieved by tying-in to a sewer manhole on Broadway. Construction work will be mostly contained on the project site, but limited closures of the adjacent alley, and potentially portions of the adjacent streets, will occur. An encroachment permit and approved traffic control plan will be required by Public Works – Engineering for any work conducted in the alley and street rights-of-way to ensure impacts are minimized.

The City plans to transfer the entire project site to RCHCD under a future Disposition and Development Agreement. Approximately 0.7 acres of the project site has been owned by the City since 1945, while the remainder was previously owned by the Pierson Company (known as the "Sunset Heights" parcels), as described further below in the Background section. The Surplus Land Act (CGC §§54220-54234) requires land to be declared either "surplus land" or "exempt surplus land," as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency's policies or procedures. The Sunset Heights parcels previously owned by Pierson were declared exempt surplus land by City Council on February 1, 2022 pursuant to California Government Code (CGC) §54221(f)(1)(A) because the land is to be transferred for the development of affordable housing consistent with CGC §37364. The City now proposes to declare the remaining 0.7 acres of the project site exempt surplus land under the same exemption provision.

Due to the complexity of affordable housing financing, details of the project (e.g., the footprint and floor area of the buildings, the unit total and mix, etc.) may be modified prior to Building Permit issuance and transfer of site ownership to RCHDC. However, pursuant to the City's 2019-2027 Housing Element, RCHDC will be required to develop a minimum of 80 affordable units consistent with the City's Municipal Code and State Density Bonus law (Eureka, 2022).

Background

In 2021, Greg Pierson came forward with a proposal to swap three City-owned Downtown parking lot sites for the four Sunset Heights parcels under his ownership. On January 4, 2022, City Council approved a Memorandum of Understanding (MOU) with Pierson Properties & Development, LLC, and the City acquired the property shortly thereafter.

To meet the City's Regional Housing Needs Allocation and help alleviate our local housing crisis, the City adopted a program in its 2019-2027 Housing Element to sell or lease Cityowned parcels to affordable housing developers. This program is known as Implementation Program IMP H-34: Affordable Housing on City-owned Properties. On October 18, 2022, City Council amended the 2019-2027 Housing Element to officially add the Sunset Heights parcels to Implementation Program IMP H-34, and the amendment was certified by the California Department of Housing and Community Development on November 10, 2022. As amended, Implementation Program IMP H-34 requires the Sunset Heights parcels to be developed with a minimum of 60 very-low-income dwelling units and 20 low-income dwelling units (Eureka, 2022).

On September 5, 2023, City Council approved an MOU with RCHDC for development of Sunset Heights consistent with the requirement of the Housing Element. RCHDC and the City of Eureka hosted a public meeting on November 15, 2023, to give stakeholders a chance to learn about the project as well as give input on the design prior to any plans being developed. Prior to the meeting, the City also published an online survey to solicit broader engagement, and 298 community members responded to the survey. RCHDC's architect (Robert Hayes and Associates) then incorporated community feedback to develop conceptual site/floor plan options that were presented to City Council at a special meeting on May 7, 2024. Based on Council's feedback, a conceptual design was selected and detailed plans were developed. A development review meeting was conducted on March 28, 2024, during which City Staff (Planning, Building, and Public Works) and Caltrans Staff provided verbal feedback on a preliminary plan set. The plans were further refined and applications for a Lot Line Adjustment, Design Review, and Density Bonus were submitted. On October 15, 2024, a project referral was sent to City departments and outside agencies that may have an interest in the project or the site. Other than Public Works - Engineering (who discussed utility connections, alley paving, site drainage, and site access and circulation) and the Wiyot Tribe (who requested inadvertent discovery protocol during construction ground disturbance), contacted entities either did not respond to the referral or responded that they had no comments.

CEQA Guidelines §15332 (Class 32) Exemption

Summary of Findings

The CEQA Guidelines §15332 (Class 32) exemption applies to projects characterized as infill development meeting the conditions described in this section. As demonstrated below, the project qualifies for the §15332 categorical exemption and no known exceptions to the exemption apply.

(a) The project is consistent with the applicable general plan designations and all applicable general plan policies as well as with applicable zoning designations and regulations.

Applicable 2040 General Plan Designation and Policies

The project site has a land use designation of Medium Density Residential (MDR), except for approximately 0.51 acres at the southern end of the project site fronting Harris Street where the land use designation is General Commercial (GC). Both the MDR and GC designations are intended for multi-family housing, among other uses. The MDR designation allows for up to 22 dwelling units per gross acre, while the GC designation allows for a maximum floor area ratio of 2.5. The proposed project does not exceed these density/intensity limits.

Staff has reviewed the 2040 General Plan policies (Eureka, 2018a), and the project does not conflict with any policies and furthers the following applicable policies in the Land Use (LU), Economy (E), and Housing (H) Elements:

- 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:
 - a. Offers varied housing choices.
 - b. Provides for mixed use development.
 - c. Develops underutilized or vacant parcels.
 - d. Reuses and expands upon underutilized or dilapidated buildings.
 - e. Furthers the attraction and/or retention of businesses targeted in the Eureka Economic Development Strategic Plan.
 - f. Enhances the City's tax base.
 - g. Encourages people to walk, bike, or use transit.

- h. Integrates development with public rights-of-way, parks, open spaces, plaza's, boardwalks, trails, and other public spaces.
- i. Preserves and/or enhances valuable natural, historic, or cultural resources.
- j. Applies practices that help to reduce development's carbon footprint.
- k. Develops intersection corners and street frontages with buildings instead of parking lots.
- I. Advances other City goals.
- 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 highdensity 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 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 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.
- Policy H-I.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.
- 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 multistory developments, tiny houses, efficiency dwelling units, micro-units, shared housing, owner-occupied affordable housing, and other housing types.

 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.

The project will accommodate 88 housing units on an underutilized and now vacant infill property located adjacent to a Commercial Corridor (Broadway) and a block and half west of a Commercial Center (the Eureka Mall), making efficient use of the City's limited remaining developable land and accommodating new growth through internal densification consistent with Policies LU-1.2, LU-1.3, LU-5.3, LU-5.4, and LU-6.2.

The project will add a variety of apartment types (one-to-three-bedroom apartments and studios), consistent with various policies calling for varied housing choices at a range of densities (Policies LU-1.3, LU-5.1, and H-2.1). At 88 units, the proposed project is close to the maximum density allowed on the project site by the R2 District, consistent with Policy H-2.4 which encourages development of the last remaining vacant lots in the City with housing units at the highest density allowed in each respective zone district. While the proposed development is considered medium-density based on the number of units per acre (as opposed to high-density), and could qualify for additional units through State Density Bonus law, 2.49 of the site's 4.18 acres cannot accommodate buildings due to a steep bluff and associated safety setback. The proposed development maximizes residential density given this significant site constraint. The project proposes concessions from certain development standards under the State Density Bonus law; these modifications to standards facilitate development of a chronically underutilized site, consistent with Policy E-1.4.

The project site is located between W. Harris Street (eastbound), and W. Henderson Street (westbound), both of which serve as transit routes (with access to the Eureka Transit Service Gold, Red, Green, and Rainbow Routes) and have existing dedicated bicycle lanes. The site is also within one-half mile of a major transit stop at the Bayshore Mall where bus riders can transfer from the Eureka Transit Service to the Southern Humboldt Intercity and Redwood Transit System to travel outside of Eureka. Given the proposed housings' close proximity to bicycle and transit infrastructure as well as jobs, goods, and services, the project provides an opportunity for residents to walk, bike and use transit, consistent with Policy LU-1.3. Currently 42 off-street parking spaces are proposed for the 88 housing units; the low parking ratio will discourage private vehicular ownership and use in favor of other modes of transportation, and aligns with Policy H-1.7 which calls on the City to default on the side of prioritizing the creation of new housing units over the creation of parking spaces.

The project also specifically implements Housing Element Implementation Program IMP H-34: Affordable Housing on City-Owned Properties, which requires the project site to be put up for sale or lease for affordable housing (Eureka, 2022). Pursuant to the MOU between the City and RCHDC, the project will meet the minimum number of low- and very-low-income deed-restricted affordable housing units required by Implementation Program Imp H-34. The project will also achieve a number of the key housing objectives the City intends to accomplish with Implementation Program Imp H-34, including maximizing development potential and reducing greenhouse gas emissions with projects that encourage/incentivize residents to use active/collective modes of transport.

Applicable Zoning Designation and Regulations

The project site is primarily located in the R2 District, the purpose of which is to accommodate "a variety of medium-density housing types close to commercial (mixeduse) areas" (Eureka, 2023). Consistent with the R2 District, the site accommodates a variety of apartment-type units in close proximity to commercial areas, including the Broadway Corridor, Bayshore Mall, and Eureka Mall.

Approximately 0.51 acres of the site is located in the SC District, which is equivalent to the "CS" zoning of the parcels across Broadway to the west in the Coastal Zone. Although the SC District is intended to be an "intensive commercial district", it is a mixed-use district where multi-family housing is principally permitted (Eureka, 2023). Given the slope differential between the project site and other commercially-zoned parcels along Broadway below, and the lack of direct access to Broadway, the site is not a prime location for commercial development. The proposed apartment-style housing will serve as an appropriate transition between the Broadway commercial strip to the west and the lower-intensity, detached single- and multi-family housing across the alley to the east.

The R2 District permits a maximum residential density of 22 units per acre, allowing for up to 80 dwelling units on the approximately 3.66-acre portion of the project site zoned R2. A total of 73 units are proposed within the R2 District, consistent with this standard. The remaining 15 units are proposed on the approximately 0.51-acre portion of the site zoned SC where there is no direct restriction on residential density. The maximum FAR in the R2 District is 1.25, while the maximum FAR in the SC District is 2.5, and the portions of the project within the R2 and SC Districts are both below their applicable floor area limitation. The portion of the project within the R2 District is also well below the maximum site coverage standard of 70% for that district. The SC District in turn does not have a maximum site coverage standard. The project also meets all applicable setback standards.

The proposed three-story and four-story buildings respectively appear to exceed the R2 District building height maximum of 35 feet by 11 feet or less. However, under CGC §65915(d)(2)(D) (State Density Bonus law), the project qualifies for a height increase of up to three additional stories, or 33 feet. The portion of Building IA (the proposed three-story building) in the SC District does not exceed the SC District building height maximum of 55 feet.

No off-street parking is required per EMC §155.324.020(B)(3), which exempts from parking requirements any new residential units that are deed restricted to households earning 80 percent or less of the Humboldt County area median income, including one, on-site, market-rate manager's unit (Eureka, 2023). Furthermore, CGC §65863.2 prohibits a public agency from imposing or enforcing any minimum automobile parking requirements on a residential, commercial, or other development project within one-half mile of a major transit stop, which is defined by Public Resources Code (PRC) §21155 in part to include stops identified as major transit stops in the applicable regional

transportation plan. On January 18, 2024, the Humboldt County Association of Governments amended the applicable regional transportation plan, VROOM 2022-2042, to include seven identified major transit stops, including a stop at the Bayshore Mall that is less than a half mile from the project site (HCAOG, 2022).

There are a variety of additional code standards applicable to multi-family housing, including but not limited to objective design standards (EMC §155.312), bicycle parking (EMC §155.324.070), landscaping (EMC §155.328), multi-family laundry facilities (EMC §155.304.100), outdoor lighting (EMC §155.308.050), solid waste/recyclable material storage (EMC §155.308.070), and signs (EMC §155.340). City Staff will ensure compliance with applicable code sections as part of the Building Permit process. In addition to allowing the project additional height above the maximum set by the applicable zoning code, CGC §65915(d)(2)(D) also allows the project up to five concessions or incentives to deviate from design standards and other development regulations where those deviations result in cost reductions, to provide for affordable housing costs. RCHDC has already applied for one concession to deviate from the Building Entries standard in EMC §155.312.040 (Eureka, 2023).

For all the reasons described above, the project is consistent with the applicable R2 and SC Districts and relevant zoning standards.

(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.

The project site is located within City limits, on a 4.18-acre project site. While the term "substantially surrounded by urban uses" is not defined for the purposes of the Class 32 exemption, CEQA defines a "qualified urban use" as "any residential, commercial, public institutional, transit, or transport passenger facility, or retail use, or any combination of those uses," (PRC §21072). The project site is surrounded by residences across the alley to the west, across W. Henderson to the north, and across W. Harris to the south. The parcels across Broadway (Highway 101) to the west are developed with commercial businesses. Thus, the project site is "substantially surrounded by urban uses."

(c) The project site has no value as habitat for endangered, rare or threatened species.

The project site is devoid of habitat suitable to support endangered, rare, or threatened species. Although currently vacant, the project site is highly degraded due to its previous use (the northern end was used for a soil quarry operation and the southern end was developed as a construction contractor's office and parking lot), current unsanctioned use for camping by people experiencing homelessness, and due to the fact that it is surrounded on three sides by major arterials (Broadway, W. Harris, and W. Henderson) and on all sides by developed parcels within an urban area. City Staff conducted a site visit with California Department of Fish and Wildlife (CDFW) Staff on April 22, 2024, and, based on the degraded quality of the site and its urban setting, CDFW Staff did not request any further biological analysis. Given EMC §155.328.040 requires all areas between the buildings and surrounding streets to be landscaped, and EMC §155.328.050 requires the

project's landscaping to be at least 75%, by count, native to Eureka (and prohibits planting of any invasive plants), the project is likely to improve the habitat value of the site (Eureka, 2023).

(d) Approval of the project would not result in any significant effects related to traffic, noise, air quality, or water quality.

Traffic

Pursuant to PCR §21099, the criteria Lead Agencies select for determining the significance of transportation impacts must "promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses." As a result, CEQA Guidelines §15064.3 identifies vehicle miles traveled (VMT) as the most appropriate metric to evaluate a project's transportation impacts, and asserts that a project's effect on automobile delay does not constitute a significant environmental impact.

CEQA Guidelines §15064.3(b)(1) states that generally projects within one-half mile of an existing major transit stop, or stop along an existing high-quality transit corridor, should be presumed to cause a less than significant transportation impact. The California Office of Planning and Research's (OPR's) Site Check Tool identifies the bus stop at the Bayshore Mall (less than one-half mile away from the project site) as a stop along an existing high-quality transit corridor (OPR, 2024). This stop is also identified as a major transit stop by both OPR's Site Check Tool and Humboldt's regional transportation plan, VROOM 2022-2042 (OPR, 2024; HCAOG, 2022).

WINCO Foods Existing High-Quality Transit Corndors Parcels

Figure 1. OPR's Site Check Tool with the Project Site Outlined in Red (https://sitecheck.opr.ca.gov/ [visit City of Eureka Planning Library for a color version of this map])

Furthermore, the 2018 OPR Technical Advisory on Evaluating Transportation Impacts in CEQA suggests, "Adding affordable housing to infill locations generally improves jobshousing match, in turn shortening commutes and reducing VMT," and for this and other reasons, "evidence supports a presumption of less than significant impact for a 100% affordable residential development (or the residential component of a mixed-use development) in infill locations." The proposed project is a 100% affordable residential development in an infill location in close proximity to a variety of regional and local-serving commercial uses (Broadway, Bayshore Mall, and Eureka Mall) in the largest and densest City in Humboldt County with more persons and jobs per square mile than any other city in Humboldt (Census, 2020a, 2020b, and 2023), where, according to OPR's Site Check Tool, per capita VMT is 15% or more below the regional average (OPR, 2024).

For all these reasons, the project will not result in significant impacts to transportation, and additional traffic impact analysis is unwarranted.

Noise

The project is surrounded by a variety of commercial and residential uses. Construction will result in some temporary and intermittent increases in noise above existing levels, but, consistent with 2040 General Plan Policy N-1.13, construction-related noise and vibration impacts will be minimized by limiting construction activities to between 7 AM and 7 PM (Eureka, 2018a). Operation noise from residential uses will be consistent with the surrounding uses and zoning and will not increase ambient noise levels in excess of City standards. The project is surrounded on three sides by major arterials, but 2040 General Plan Policies N-1.4, N-1.5, and N-1.8 require a project-specific acoustical analysis and incorporation of acoustical insulation treatments into housing unit design (e.g., sound-rated windows and doors, sound-rated wall construction, acoustical caulking, etc.) and mitigation of new stationary sources of noise (e.g., HVAC units, loading docks, generator, etc.) as necessary to ensure interior noise levels within the housing units are 45 dBA or lower, consistent with 2040 General Plan Table N-3 (Eureka, 2018a). City Staff will ensure compliance with this internal noise standard as part of the Building Permit process. As a result, the project will not expose residents to significant noise impacts.

For all these reasons, the project will not result in any significant effects relating to noise.

Air Quality

The site is within the North Coast Air Basin and is subject to the authority of the North Coast Unified Air Quality Management District (NCUAQMD). A project referral was sent to the NCUAQMD office on October 15, 2024 and no response was received.

The NCUAQMD is listed as "attainment" or "unclassified" for all the federal and state ambient air quality standards except for the State's 24-hour particulate (PM₁₀) standard, which relates to concentrations of suspended airborne particles that are 10 micrometers or less in size. PM₁₀ emissions include, but are not limited to, smoke from wood stoves, dust from traffic on unpaved roads, vehicular exhaust emissions, and airborne salts and other particulate matter naturally generated by ocean surf.

Due to the "nonattainment" status for PM₁₀, the NCUAQMD prepared a draft PM₁₀ Attainment Plan in 1995 (NCUAQMD, 1995). The PM₁₀ Attainment Plan identifies cost effective control strategies that can be implemented to bring PM₁₀ to within California standards. Methods include transportation measures (e.g., public transit, ridesharing, and bicycle incentives, etc.), land use measures (infill development), and combustion measures (hearth/wood burning stove limitations). The project involves infill development near major transit routes and bicycle facilities and is therefore aligned with the aforementioned transportation and land use measures of the PM₁₀ Attainment Plan. As a result, project operations will have a neutral or positive impact on air quality.

There is the potential for fugitive dust emissions to temporarily impact nearby sensitive receptors (those with a heightened risk of negative health outcomes due to air pollution) during project construction. Although the PM₁₀ Attainment Plan does not include project-specific requirements, NCUAQMD Rule 104, Section D – Fugitive Dust Emissions is used to address non-attainment for PM₁₀ by prohibiting specific activities, and providing reasonable precautions to prevent particulate matter from becoming airborne (NCUAQMD, 2015). Under Rule 104, Section D "no person shall allow handling, transporting, or open storage of materials in such a manner which allows or may allow unnecessary amounts of particulate matter to become airborne." Rule 104, Section D provides the following reasonable precautions that shall be taken to prevent particulate matter from becoming airborne, including, but not limited to, the following provisions:

- Covering open bodied trucks when used for transporting materials likely to give rise to airborne dust.
- The use of water or chemicals for control of dust in the demolition of existing buildings or structures, construction operations, the grading of roads or the clearing of land.
- The application of asphalt, oil, water or suitable chemicals on dirt roads, materials stockpiles, and other surfaces which can give rise to airborne dusts.
- The prompt removal of earth or other track out material from paved streets onto
 which earth or other material has been transported by trucking or earth moving
 equipment, erosion by water, or other means.

Pursuant to 2040 General Plan Policy AQ-1.3, the City will require the construction contractor to implement air quality best management practices (BMPs) consistent with NCUAQMD requirements and State regulations, including adherence to standard dust control measures to reduce fugitive dust generation during excavation and earthmoving construction activities (Eureka, 2018a).

For these reasons, the project will not result in any significant effects relating to air quality.

Water Quality

Pursuant to the City's stormwater provisions, either an Erosion and Sediment Control Plan (for projects that disturb less than one acre) or a Stormwater Pollution Prevention Plan (for projects disturbing one or more acres of land) will be prepared and adhered to

during project construction, ensuring adequate BMPs will be installed and maintained to prevent water quality impacts. As currently proposed, the project will involve a little over an acre of ground disturbance triggering a Stormwater Pollution Prevention Plan under a Construction General Permit from the State Water Resources Control Board. BMPs such as inlet protection, straw wattles, construction fencing, covering of stockpiled materials, and proper disposal of any waste materials will be incorporated into the Plan.

Because over 5,000 sf of impervious surface is proposed to be replaced on the project site, the project will be classified as a "Regulated Project" according to the City's Phase II Small Municipal Separate Storm Sewer System (MS4) Permit and will be required to prepare a post-construction Stormwater Control Plan to ensure stormwater runoff is adequately managed consistent with the Humboldt Low Impact Development Stormwater Manual for the life of the development. The proposed plans indicate stormwater runoff from the project site will be directed to a bio-retention area at the northwestern corner of the property with adequate space to retain and infiltrate project runoff onsite.

For these reasons, the project will not result in any significant effects relating to water quality.

(e) The site can be adequately served by all required utilities and public services.

As analyzed in the adopted 2040 General Plan Environmental Impact Report (EIR; State Clearinghouse #2016102025; Eureka, 2018b), the City has adequate utility and public service capacity to serve existing and potential future development envisioned by the 2040 General Plan, including the creation of up to 1,886 additional housing units in the City from 2018-2040. This number of housing units is approximately double the City's 2019-2027 Regional Housing Needs Allocation of 952 units.

The project site is located in a developed urban area in proximity to utilities and public services and immediately surrounded on all four sides by public right-of-way. Public Works — Engineering is working with RCHDC to ensure the project's driveway connections to the adjacent alley and W. Harris and W. Henderson Streets are designed to ensure safe ingress and egress. Public Works — Engineering has indicated RCHDC will be required to grade and repave the alley to improve access and durability, and install the necessary storm drain infrastructure within the alley to capture and manage runoff effectively. Public Works — Engineering has also determined that a water main extension will be required, connecting to the existing water mains on W. Harris and W. Henderson Streets (creating a new loop), and a gravity sewer connection can be achieved by tying-in to a sewer manhole on Broadway. RCHDC will be required to pay all applicable development impact fees, including sewer and water impact fees.

There is a 28-ft-wide easement reserved for PG&E and AT&T along the Harris Street frontage of the project site (where a strip of Harris Street was recently vacated), and the City will require recordation of any further necessary utility easements (or notices of future easements) prior to transferring the project site to RCHDC.

For these reasons, the project site can be adequately served by all required utilities and public services.

(f) Exceptions to the categorical exemptions

Where a project qualifies for a categorical exemption, the City, as Lead Agency, may not rely on the exemption if any of the exceptions to the categorical exemptions set forth in CEQA Guidelines §15300.2 apply. Specifically, the exceptions prohibit use of categorical exemptions under the following circumstances:

- for certain classes of projects (Classes 3, 4, 5, 6 and 11) due to location where the project may impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law;
- ii. when the cumulative environmental impact of successive projects of the same type in the same place, over time, is significant;
- iii. where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances;
- iv. where the project may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway;
- v. where the project is located on a stale designated hazardous waste site; and
- vi. where the project may cause a substantial adverse change in the significance of a historical resource.

As demonstrated below, none of the above exceptions apply to the project. Therefore, the project is exempt from the requirements of CEQA.

(i) §15300.2(a) is not applicable to the Class 32 exemption.

CEQA Guidelines §15300.2(a) is not applicable to the project because the project qualifies as exempt under Class 32 and this exception only applies to Class 3, 4, 5, 6, and 11 exemptions. However, no environmental resource of hazardous or critical concern has been designated or mapped on or surrounding the project site.

(ii) Development of the proposed project will not result in any significant cumulative environmental impacts.

The project is located in a built-out urban area where numerous bicycle and transit system improvements are anticipated. Eureka's recently adopted Bike Plan calls for enhancing the existing bike lanes on W. Harris and W. Henderson Streets, closing the bike lane gaps on both these streets between Broadway and Fairfield Streets, as well as connecting W. Harris and W. Henderson Streets with a buffered bike lane on Spring Street (Eureka, 2024b). Caltran's Eureka Broadway Multimodal Corridor Plan also recommends adding protected bike lanes on Broadway through Eureka (Caltrans, 2023). Additionally, Humboldt Transit Authority (HTA) is anticipating increasing the frequency of transit service in the area, potentially by moving from loop routes to bi-direction routes, and also by supplementing HTA's structural routes with a microtransit service known as

"Flex" that will allow community members to book a ride directly to a bus stop from other stops in the service area, with the potential for a microtransit stop at the project site (Personal communication between City Staff and HTA Staff, November 15, 2024; HCAOG, 2023). All of the aforementioned projects will improve bicycle and transit connectivity to the project site and will therefore further reduce any project impacts related to energy, air quality, greenhouse gas emissions, and VMT.

Future development projects anticipated in the vicinity include 16 new affordable residential units on a vacant property at 965 W. Harris Street proposed by Groundswell Housing, and redevelopment of the City of Eureka Housing Authority's housing portfolio on eight adjacent properties south of W. Harris Street (APNs 009-072-001, 009-073-001, 009-074-001, 009-075-001, 009-076-001, 009-083-001, 009-083-002, and 009-083-003) with 150 net new affordable housing units (replacing 106 units with 256 new units). While other property owners may propose to develop or redevelop remaining vacant and underutilized properties in the area in the future, the timing, number, and size of such projects will be limited by the existing built-out nature of the City. Future projects in the vicinity of the project site will include infill development on existing developed or previously developed urban lots. This densification of an existing developed area will reduce development pressure on surrounding agricultural, forest, and natural resource lands. The area is a mix of residential and commercial (mixed-use) zoning, while industrial uses that could individually or cumulatively impact project residents are prohibited. For all these reasons, the project does not have the potential to result in significant cumulative impacts taking into consideration existing and future projects in the same area, over time.

(iii) No unusual circumstances are caused by or associated with the proposed project.

As explained in Berkeley Hillside Preservation v. City of Berkeley (2015) 60 Cal.4th 1086 (Berkeley Hillside), a two-part test applies to determine whether an unusual circumstance is present that excludes use of a categorical exemption. This two-part test requires the Lead Agency to first consider whether there are unusual circumstances ("whether a particular project presents circumstances that are unusual for projects in an exempt class is an essentially factual inquiry, founded on the application of the fact-finding tribunal's experience with the mainsprings of human conduct"). This inquiry is subject to the substantial evidence standard of review, which means that all evidentiary conflicts must be resolved in the agency's favor and all legitimate and reasonable inferences must be made to uphold the agency's finding. Second, if a Lead Agency finds an unusual circumstance exists, the Lead Agency next asks if there is a reasonable possibility of a significant effect on the environment due to unusual circumstances. If this second inquiry is necessary, the Lead Agency applies the "fair argument" standard of review to determine whether the project may have a significant impact on the environment.

In establishing this bifurcated test, the Court emphasized that circumstances do not become unusual merely because a fair argument can be made that they might have a significant effect. For environmental impacts to constitute an unusual circumstance, the Lead Agency must determine based on substantial evidence that the project will have a significant environmental effect.

Unusual circumstances may exist where a project has some characteristic or feature that distinguishes it from others in the exempt class, such as its size or location. In determining whether unusual circumstances exist, an "apples-to-apples" comparison should be used to consider whether the project is distinguishable from other similar projects subject to the exemption. There is nothing unusual about the project as compared to other similar development projects within the City. The project site includes steep slopes; however, there is a large developable footprint outside of areas with steep slopes and an associated safety setback. Because of the site's past use (there was a soil quarry operation on the northern end of the site from at least 1954-1972, and a construction contractor's office and parking lot on the southern end from 1999-2023), current unsanctioned use by people experiencing homelessness, and urban setting, the site is degraded and contains no significant biological resources. The site is now vacant except remnant paving and fencing and contains no known historical resources. In addition, the site's development footprint (and access thereto) is <u>not</u> located within an earthquake fault zone (CDC, 2024; Eureka, 2018b), landslide or liquefaction hazard zones (Humboldt 2015, 2024; Eureka, 2018b), a fire hazard zone (Eureka, 2018b), a tsunami hazard zone (CGS and OES, 2022), or FEMAmapped floodplain (FEMA, 2017). The proposed development footprint includes multiple grades with the lowest portion at 50 feet in elevation (NAVD88); as a result, the project is well above the area potentially subject to sea level rise under the worst-case scenario California Ocean Protection Council sea level rise projections for 2100 for Humboldt Bay (Eureka, 2024a; OPC, 2018).

Furthermore, to apply to a project, the unusual circumstance exception requires findings of both unusual circumstances and a potentially significant effect. As no unusual circumstances are present, the City is not required to analyze the second prong further. Nevertheless, this memo also demonstrates that the project will not have the potential to result in any significant environmental impacts. For these reasons, the unusual circumstances exception is not applicable to the project.

(iv) The proposed project is not located adjacent to or visible from a scenic highway.

According to the California Scenic Highway Mapping System, there are no designated state designated scenic highways in Eureka (Caltrans, 2024). Thus, the project will not result in damage to scenic resources within a highway officially designated as a state scenic highway.

(v) The proposed project is not located on a hazardous waste site.

CEQA Guidelines §15300.2(c) does not apply because the project site is not on any list of facilities and sites compiled pursuant to CGC §65962.5 (DTSC, 2024; SWRCB, 2024). A Phase I Environmental Site Assessment (ESA) was prepared by a registered environmental assessor for the project site in March 2023 and included site reconnaissance; reviews of historical topographic maps, street directories, Sanborn maps, and aerial photographs; review of agency records; personal and telephone interviews; and a land use questionnaire (SHN, 2023). According to the report, there is no evidence of past land uses on the project site that may have generated or caused the release of

regulated or hazardous material within the subject property. Although there were former underground storage tanks on adjacent sites along Broadway, given they have a case-closed status or are lower in elevation that the subject site, the Phase I ESA concludes that potential concerns regarding these nearby past land uses have been addressed, and as a result, does not recommend a Phase II ESA.

vi) The project will not cause a substantial adverse change in the significance of a historical resource.

The project site is vacant except for remnant paving and fencing, and contains no structures that could potentially qualify as historic resources. The project site is not on the Local Register of Historic Places, the California Register of Historical Resources, or the National Register of Historic Places (Eureka, 2024a; CSP-OHP, 2024; USDI-NPS, 1991).

The project was referred to the Tribal Historic Preservation Officers (THPOs) of the Wiyot Tribe, the Bear River Band, and the Blue Lake Rancheria. No response was received from the Blue Lake Rancheria THPO; the Bear River Band THPO responded that they have no comments; and the Wiyot Tribe THPO responded requesting inadvertent discovery protocol. As recommended by the Wiyot Tribe and consistent with 2040 General Plan Policy HCP-2.5, the City will require inadvertent discovery protocol for any archaeological and cultural resources or human remains encountered during construction ground disturbance (Eureka, 2018a).

CEQA Guidelines \$15194 / PCR \$21159.23

Summary of Findings

As demonstrated below, the project meets the eligibility criteria for the Affordable Housing Exemption contained in CEQA Guidelines §15194 and PCR §21159.23, as well as the additional threshold requirements for the exemption contained in CEQA Guidelines §15192 and PCR §21159.21.

Threshold Requirements for Exemptions for Affordable Housing and Residential Infill Projects (CEQA Guidelines §15192; PRC §21159.21)

(a) The project must be consistent with:

(I) Any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete; and

The project is consistent with the 2040 General Plan, adopted in 2018, which prioritizes and promotes adaptive reuse and revitalization of vacant and underutilized properties and densification through infill development, and encourages a mix of new residential uses near jobs and services (Eureka, 2018a). Pursuant to the 2040 General Plan, three of the parcels at the project site have a land use designation of MDR, and the fourth parcel has a split land use designation of MDR and General Commercial GC. Both implicated land use designations allow housing at the density proposed. Furthermore, the 2019-2027 Housing Element, adopted in December 2019 and amended in October 2022, requires the development of the project site with affordable housing as proposed (a minimum of 80 units are required by the Housing Element; 88 units are proposed; Eureka, 2022). See further analysis under the CEQA Guidelines §15332 exemption findings, subsection (a), above.

(2) Any applicable zoning ordinance, as that zoning ordinance existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete, unless the zoning of project property is inconsistent with the general plan because the project property has not been rezoned to conform to the general plan.

The project is consistent with the City's Inland Zoning Code, adopted in 2019 (Eureka, 2023). The project site is located in the R2 and SC Districts, both of which principally permit multi-family dwellings. The project is anticipated to meet all applicable objective development standards except for the R2 District's building height limit of 35 feet, and a design standard requiring street-facing building entrances; both these deviations are allowed by, and must be granted pursuant to, State Density Bonus law. See further analysis under subsection (a) of the CEQA Guidelines §15332 exemption findings, above. Consistency with the Inland Zoning Code will also be reviewed and ensured as part of the Building Permit process.

(b) Community-level environmental review has been adopted or certified.

Pursuant to PCR §21159.20(b)(2), community-level environmental review includes an EIR certified on a general plan. The City of Eureka 2040 General Plan Update Program EIR was certified by City Council on October 15, 2018, at the same time the 2040 General Plan was adopted (Eureka, 2018b). Thus, a community-level environmental review has been performed.

(c) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees.

The project, and other projects approved prior to the approval of this project, can be adequately served by existing utilities. As analyzed in the adopted 2040 General Plan EIR, there is adequate utility capacity to serve existing and potential future development in the City as envisioned by the 2040 General Plan, including the creation of up to 1,886 additional housing units (Eureka, 2018b). The project site is located in a developed urban area, and was previously developed with a contractor's office that was connected to public utilities. As further analyzed under the CEQA Guidelines §15332 exemption findings, subsection (e) above, the currently proposed project can be adequately served by connecting to existing public utilities located in nearby public rights-of-way and in onsite utility easements. Also, the developer, RCHDC, will be required to pay all applicable inlieu and/or development fees as outlined in the MOU between RCHDC and the City.

(d) The site of the project:

- (1) Does not contain wetlands, as defined in Section 328.3 of Title 33 of the Code of Federal Regulations.
- (2) Does not have any value as an ecological community upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.
- (3) Does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or by the Native Plant Protection Act (Chapter 10 commencing with Section 1900) of Division 2 of the Fish and Game Code), the California Endangered Species Act (Chapter 1.5 commencing with Section 2050) of Division 3 of the Fish and Game Code.
- (4) Does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete.

The U.S. Fish & Wildlife Service's National Wetlands Inventory indicates no streams or wetlands are present at the project site (USFWS, 2024). In addition, City Staff conducted a site visit with CDFW Staff on April 22, 2024 and, based on the degraded quality of the site and its urban setting, CDFW Staff did not request a wetland delineation or any further biological analysis. As analyzed under the CEQA Guidelines §15332 exemption findings, subsection (c) above, the project site does not provide value as an ecological community, and the project has no potential to impact any federal, state, or locally protected species. Under the proposed project, the site will include ample landscaping, which, pursuant to

the City's Inland Zoning Code, will be at least 75% by count species native to Eureka and will not include invasive species (Eureka, 2023). Also, as required by the City's Inland Zoning Code, all exterior lighting will be shielded or recessed and will meet the International Dark Sky Association's requirements for reducing waste of ambient light ("dark sky compliant") and the CA Green Building Standards Code (Eureka, 2023). Finally, because over 5,000 sf of impervious surface will be added and/or replaced on the project site, the project will be classified as a "Regulated Project" according to the MS4 Permit and RCHDC will be required to prepare a Stormwater Control Plan to ensure stormwater runoff is adequately managed consistent with the Humboldt Low Impact Development Manual. Therefore, the project will have no impacts on any wetlands, ecological communities or protected species.

(e) The site of the project is not included on any list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code.

The project site is not on any list of facilities and sites compiled pursuant to §65962.5 of the Government Code (DTSC, 2024; SWRCB, 2024).

- (f) The site of the project is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. In addition, the following steps have been taken in response to the results of this assessment:
 - (1) If a release of a hazardous substance is found to exist on the site, the release shall be removed, or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.
 - (2) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements.

As described under the CEQA Guidelines §15332 exemption findings, subsection (f)(v) above, a Phase I ESA has been prepared by a registered environmental assessor for the project site to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity (SHN, 2023). According to the report, SHN encountered no evidence of past land uses on the project site that may have generated or caused the release of regulated or hazardous materials. Several sites within a one-mile radius of the project site are known or suspected to have stored and/or used regulated materials, and/or have had hazardous material releases, including leaking underground storage tanks. Ultimately, SHN determined all of the nearby sites pose little or no risk of impacting the project site (due to elevation relative to the project site, distance, low levels of contamination left after remediation, etc.), and identified no Recognized Environmental Conditions, and, due to the low risk, did not recommend any further action such as a Phase II ESA or soil and groundwater management plan.

(g) The project does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code.

PCR §21084.1 defines a historical resource as one that is listed in, or determined to be eligible for listing in, the California Register of Historical Resources. The project site is vacant except for remnant paving and fencing and is not on the Local Register of Historic Places, the California Register of Historical Resources, or the National Register of Historic Places (Eureka, 2024a; CSP-OHP, 2024; USDI-NPS, 1991). The project site is also not located adjacent to or nearby any property listed on local, state or national registrars (the nearest locally listed site is over 1,000 feet away).

As described under the CEQA Guidelines §15332 exemption findings, subsection (f)(vi) above, the project was referred to the THPOs of the Wiyot Tribe, the Bear River Band, and the Blue Lake Rancheria. No response was received from the Blue Lake Rancheria THPO; the Bear River Band THPO responded that they have no comments; and the Wiyot Tribe THPO responded requesting inadvertent discovery protocol. As recommended by the Wiyot Tribe and consistent with 2040 General Plan Policy HCP-2.5, the City will require inadvertent discovery protocol for any archaeological and cultural resources or human remains encountered during construction ground disturbance as part of the Building Permit process (Eureka, 2018a). Therefore, significant impacts on historic resources will be avoided.

(h) The project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard.

The project site is within an entirely developed urban area and is not located near wildlands. The California Department of Forestry and Fire Protection (CalFire) maps identify fire hazard severity zones in state and local responsibility areas for fire protection (SRAs and LRAs, respectively). The SRA does not extend into City limits. The LRA fire severity map designates some areas within the City limits as moderate to high fire hazard severity zones. As shown on 2040 General Plan EIR Figure 3.7-3, the project site is not located in one of these moderate or high fire hazard severity zones (Eureka, 2018b). Therefore, the project site is not subject to wildland fire hazard, as determined by CalFire.

(i) The project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties.

The area surrounding the project site is a mix of residential and commercial development. According to the California Environmental Protection Agency Regulated Site Portal, the nearest chemical storage facility is a Chevron Gas Station at 2806 Broadway, 100 feet away from the project site (CalEPA, 2024). Given this facility is across Broadway and over 30 feet lower in elevation than the project site, this gas station would not adversely impact the project. The next closest chemical storage facilities are an AutoZone at 930 W. Harris Street and Fire Station 3 at 2905 Ocean Avenue, both approximately 1.5 blocks east and 500 feet from the project site (CalEPA, 2024). Due to the distance of these operations from the project site and the amount of development that is located in between, these operations would not adversely impact the project. Additionally, proximity to a Humboldt

Bay Fire Department helps ensure quick emergency response times for the project site. Therefore, the project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties.

(i) The project site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency.

According to the Phase I ESA prepared for the project site, the project site will not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency (SHN, 2023). Refer to the discussion under requirement (f) above for additional information.

(k) Either the project site is not within a delineated earthquake fault zone or a seismic hazard zone, as determined pursuant to Section 2622 and 2696 of the Public Resources Code respectively, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake or seismic hazard.

According to mapping by the California Geological Survey, the project site is not within an earthquake fault zone (CDC, 2024; Eureka, 2018b). The project site and surrounding area are also mapped by Humboldt County as relatively stable in terms of seismic safety (rated 0 on a scale of 0-3, relatively stable to highly unstable; Humboldt, 2024). The upper eastern portion of the project site is perched on a marine terrace ranging from about 50-65 feet in elevation (NAVD88), while the western edge of the project site includes a steep, vegetated hillside that drops down from the terrace surface to Broadway at approximately 18 feet in elevation (NAVD88). This steep western hillside portion of the project site includes slopes greater than 15% and is potentially subject to landslide and liquefaction (Humboldt 2015, 2024; Eureka, 2018b). However, the proposed project footprint avoids this hazardous bluff area.

An R-1 Engineering Geologic Soils Report was prepared for the project site by LACO in 2007, and updated in 2016. The geological and soil investigation was conducted for Pierson Company (the previous property owner) for a previously proposed 37-unit housing complex with one- and two-story buildings. In addition, in 2022, LACO prepared another geohazard report for the site for Providence Supportive Housing (a prospective affordable housing developer) for a potential 100-unit apartment building. Both the 2007 and 2022 work by LACO included site-specific investigation with geotechnical borings. The field investigations and evaluations indicate the project site is underlain by approximately 2.5 feet of unsuitable bearing material, overlaying undistributed, well-drained native soils that appear suitable to bear the anticipated structural loads, with groundwater observed at 44 feet below ground surface.

The reports indicate that the engineering geologic and geotechnical hazards to the proposed development on the project site are strong earthquake ground shaking, weak and unsuitable near-surface soils, and the potential for seismically induced slope instability. Based on the results of the site explorations, the 2022 report concludes the project is feasible from a geotechnical standpoint, provided the report's recommendations are

incorporated into the project design and construction, including recommendations for slope setback, site preparation, grading, foundations, and drainage.

The 2022 report concludes the risks associated with strong earthquake ground shaking can also be reduced by application of current codes and seismic design practices; the hazard of differential settlement can be mitigated through appropriately engineered foundation design; and the hazard of slope failure can be mitigated by setting structures for human occupancy back 33 feet from the top of the slope. The current project proposes a minimum setback of 33 feet consistent with the setback recommendation. Consistency with the other recommendations will be required by City Staff through the Building Permit process consistent with 2040 General Policy HS-1.1, which requires all new structures intended for human occupancy to be sited and designed consistent with limitations imposed by seismic and geological hazards, constructed to minimize seismic risk, and constructed in compliance with the safety standards included in the California Building Code.

For all these reasons, earthquake and seismic hazard risk will be adequately mitigated.

(I) Either the project site does not present a landslide hazard, flood plain, flood way, or restriction zone, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood.

See subsection (k) above for a discussion of the potential landslide hazard along the western portion of the project site and analysis demonstrating the project as proposed with a 33-foot-wide bluff setback will avoid the risk of landslide.

Regarding flood hazards, the site is not located in a FEMA-mapped floodplain (FEMA, 2017). The low-lying northwestern corner of the site at the intersection of Broadway and W. Henderson is in the tsunami hazard evacuation area mapped by the California Geological Survey and the California Governor's Office of Emergency Services (CGS and OES, 2022); however, no development is proposed in this area except for stormwater bio-retention. The development footprint is proposed on the bluff above, at a minimum elevation of 50 feet (NAVD88), well above any flood hazard.

(m) The project site is not located on developed open space.

The project site was recently acquired by the City of Eureka in early 2022 but is not used for public open space purposes. The purpose of the acquisition was to put the site up for sale or lease for affordable housing.

- (n) The project site is not located within the boundaries of a state conservancy. The project site is not located within the California Coastal Zone.
- (o) The project has not been divided into smaller projects to qualify for one or more of the exemptions set forth in CEQA Guidelines Sections 15193 to 15195.

 CEQA Guidelines §15378 defines a project under CEQA as "the whole of an action" that may result in either direct or indirect physical changes to the environment. PRC

§21159.27 prohibits piecemealing (i.e., dividing a project into smaller projects) to qualify for exemptions. The primary test for determining if improper piecemealing would occur is whether a project has "independent utility," meaning that a project operates independently and can be implemented separately from other reasonably foreseeable actions. The proposed project meets the definition of a "project" under CEQA and has "independent utility" because the approval and implementation of the project is not dependent on the approval and implementation of any other reasonably foreseeable actions. The project serves a distinct purpose and function and is not a part or phase of a larger project. Therefore, the project has not been divided into smaller projects to qualify for the Affordable Housing exemption.

Affordable Housing Exemption Criteria (CEQA Guidelines §15194 and PCR §21159.23)

- (a) The project meets the CEQA Guidelines §15192 threshold criteria.
- As demonstrated in the proceeding section, the project meets the CEQA Guidelines §15192 threshold criteria.
- (b) The project site meets the following size criteria: The project site is not more than 5 acres in area.

The site totals 4.18 acres.

- (c) The project meets both of the following requirements regarding location:
 - (I) The project meets one of the following location requirements relating to population density:
 - (A) The project site is located within an urbanized area or within a census-defined place with a population density of at least 5,000 persons per square mile.
 - (B) If the project consists of 50 or fewer units, the project site is located within an incorporated city with a population density of at least 2,500 persons per square mile and a total population of at least 25,000 persons.
 - (C) The project is located within either an incorporated city or a census defined place with a population density of at least 1,000 persons per square mile and there is no reasonable possibility that the project would have a significant effect on the environment or the residents of the project due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project.

The project qualifies for (C). The project is located within the incorporated City of Eureka with a total population of 26,512, and a population density of over 1,000 persons per square mile (2,780.2 persons/mile) according to the 2020 Census. As

Because the City's population density is less than 5,000 persons per square mile, the project does not qualify for location requirement (A); and, because the project includes more than 50 units (88 total), the project does not qualify for location requirement (B).

analyzed under subsection (f)(iii) of the CEQA Guidelines §15332 exemption findings above, there is nothing unusual about the project as compared to other similar development projects within the City, and as analyzed under subsection (f)(ii) of the CEQA Guidelines §15332 exemption findings above, the project does not have the potential to result in significant cumulative impacts taking into consideration existing and future projects in the same area, over time. Furthermore, the analysis throughout this memo demonstrates the project will not have a significant adverse impact on the environment or the future residents of the project.

As described elsewhere in this memo, the project is located in the largest and densest City in rural Humboldt County, where, per capita VMT is 15% or more below the regional average (Census, 2023; OPR, 2024). The site is within one-half mile of a major transit stop, other transit stops, bike facilities, and a variety of goods and services, including a grocery store and pharmacy. Adding housing near existing employment density, transit, bicycle infrastructure, and goods and services will further decrease overall County VMT and resulting impacts on energy usage, air quality and greenhouse gas emissions. Infill development will also reduce development pressure on surrounding agricultural, forest and natural resource lands, and is consistent with Eureka's historic development patterns and the vision of the City's 2040 General Plan. Furthermore, Caltrans' Eureka Broadway Multimodal Corridor Plan, the City's recently-adopted Bike Plan, and HTA's transit planning all call for additional bicycle and/or transit improvements in the project vicinity which would further reduce any project impacts related to energy, air quality, greenhouse gas emissions, and VMT (Caltrans, 2023; Eureka, 2024b; and HCAOG, 2023).

The project site has no significant biological or historical resources and no evidence of past land uses that may have generated or caused the release of regulated or hazardous materials, and the proposed project footprint avoids seismic and flood hazards. A project referral was sent on October 15, 2024 to City departments and outside agencies that may have an interest in the project or the site including City Building, City Public Works, Police, Humboldt Bay Fire, THPOs of the Wiyot Tribe, Bear River Band, and Blue Lake Rancheria, Caltrans, County Assessor's Office, County Public Works Department, Eureka City Schools, North Coast Regional Water Quality Control Board, California Highway Patrol, HTA, NCUAQMD, HCAOG, PG&E, etc. Other than Public Works -Engineering (who discussed utility connections, alley paving, site drainage, and site access and circulation) and the Wiyot Tribe (who requested inadvertent discovery protocol during ground disturbance), contacted entities either did not respond to the referral or responded that they had no comments. City Staff also conducted a site visit with CDFW Staff on April 22, 2024 and, based on the degraded quality of the site and its urban setting, CDFW Staff did not request any biological analysis. For all these reasons, there is no reasonable possibility that the project would have a significant effect on the environment or the residents of the project due to unusual circumstances or cumulative impacts and qualifies for (C).

- (2) The project meets one of the following site-specific location requirements:
 - (A) The project site has been previously developed for qualified urban uses.
 - (B) The parcels immediately adjacent to the project site are developed with qualified urban uses.
 - (C) The project site has not been developed for urban uses and all of the following conditions are met:
 - i. No parcel within the site has been created within 10 years prior to the proposed development of the site.
 - ii. At least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses.
 - iii. The existing remaining 25 percent of the perimeter of the site adjoins parcels that have previously been developed for qualified urban uses.

The project site meets site-specific location requirement (B).² PRC §21072 defines qualified urban uses to include "residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." The parcels surrounding the project site are all developed with qualified urban uses. There are predominately residences across the alley to the east, across W. Henderson to the north, and across W. Harris to the south (there is also one office building across the alley to the east [relocated from the project site], and Redwood Adult & Teen Challenge across W. Henderson to the north). The parcels across Broadway to the west are developed with commercial businesses.

- (d) The project meets both of the following requirements regarding the provision of affordable housing.
 - (1) The project consists of the construction, conversion, or use of residential housing consisting of 100 or fewer units that are affordable to low-income households. The project involves the construction of 88 dwelling units for very-low- and low-income households.
 - (2) The developer of the project provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for lower income households for a period of at least 30 years, at monthly housing costs deemed to be "affordable rent" for lower income, very low income, and

The southern portion of the site was previously developed with a qualified urban use (an office building), but not the northern portion. As a result, the project does not fully meet site-specific location requirement (A). Because the project meets site-specific location requirement (B), requirement (C) was not evaluated.

extremely low-income households, as determined pursuant to Section 50053 of the Health and Safety Code.

The City's 2019-2027 Housing Element, Implementation Program H-34 requires the Sunset Heights parcels to be sold or leased to an affordable housing developer for the construction of a minimum of 20 low-income units and 60 very-low income units, all with recorded deed-restrictions (Eureka, 2022). On September 5, 2023, City Council authorized an MOU with RCHDC for development of Sunset Heights with affordable housing. The MOU clarifies that, regardless of whether the City leases or sells the project site to RCHDC, RCHDC must record a regulatory agreement to run with the land in a form provided by the City that sets forth the income and occupancy restrictions and such other matters as deemed necessary by the City to achieve the City's goals of ensuring the housing units remains affordable to, and occupied by, lower income households for a period of at least 55 years.

Acronyms

APN	Accessor Parcel Number		
BMPs	Best Management Practices		
CDFW	California Department of Fish and Wildlife		
CEQA	California Environmental Quality Act		
CGC	California Government Code		
dBA	A-weighted Decibel		
EIR	Environmental Impact Report		
EMC	Eureka Municipal Code		
ESA	Environmental Site Assessment		
GC	General Commercial Land Use Designation		
HCAOG	Humboldt County Association of Governments		
HCD	California Department of Housing and Community		
	Development		
HTA	Humboldt Transit Authority		
HVAC	Heating, Ventilation, and Air Conditioning		
LRA	Local Responsibility Area		
MDR	Medium Density Residential Land Use Designation		
MOU	Memorandum of Understanding		
MS4 Permit	Phase II Small Municipal Separate Storm Sewer System Permit		
NAVD88	North American Vertical Datum of 1988		
NCUAQMD	North Coast Unified Air Quality Management District		
OPR	California Office of Planning and Research		
PG&E	Pacific Gas and Electric		
PM ₁₀	Particulate matter that is 10 micrometers or less in size		
PRC	Public Resources Code		
R2	Residential Medium Zoning District		
RCHDC	Rural Communities Housing Development Corporation		
SC	Service Commercial Zoning District		
SF	Square Feet		
SRA	State Responsibility Areas		
THPO	Tribal Historic Preservation Officer		
VMT	Vehicle Miles Traveled		

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