



*The following are the comments proponents Mike Munson and Michelle Costantine, and Security National's Kenny Carswell, gave at the City Council meeting on November 7, 2023 on the following agenda item:  
I.2. Elections Code 9212 Report on Citizen's Initiative Amending the City's General Plan for 21 City-Owned Parking Lots and the Jacobs Middle School Site*

MIKE MUNSON

Good evening, council members and Mayor Bergel. My name is Mike Munson and I am a Eureka resident and downtown business owner. I am also a co-signer of the Eureka Housing for All and Downtown Vitality Initiative.

I have read the report that city staff has prepared for you and I have concerns about the information it contains and information it does not contain.

The report states that there will be a loss of millions of dollars of "one-time" construction expenditures and millions of dollars each year in retail spending if the Initiative passes. This is false and very misleading. The Initiative would not prevent the construction of affordable housing on City-owned lots, and would not prevent people from spending money at downtown retail businesses.

The analysis completely fails to take into account the economic impacts that would result if the Initiative were not adopted and the City redeveloped the downtown parking lots without preserving parking. This would result in significant job losses and losses in retail spending. This is what we, as business owners, are most concerned about and it wasn't even considered in the report.

It appears neither the City nor PFA understand the difference between fiscal impacts and economic impacts, and neither the City Report nor the PFA Report distinguishes between the two. In fact, both the City and PFA use the terms interchangeably when describing purely economic impacts. Fiscal impacts are not the same as economic impacts. Economic impacts measure things like jobs, salaries, and economic output. Fiscal impacts, on the other hand, measure the additional revenues or costs that may be incurred by public entities in relation to the economic impacts.

One thing that is in the report is a statement that the *"General Plan policies acknowledge how abundant free parking incentivizes people to buy and use cars rather than walk or bike, and how making parking more difficult promotes behavioral change."* Nowhere does the General Plan specifically promote this "behavioral change." This is just the personal philosophy of a few people in the City and a few vocal advocates. It is also grossly unrealistic. No matter how hard it is to park in the City, someone who lives in McKinleyville for example and needs to be here for a doctors appointment, or to go to the bank, or to eat at a restaurant, will never be able to bike or walk here instead of driving.

Taking away parking spots is not going to encourage people to not drive their cars. This is not how human behavior changes occurs. You can't do it by restriction or elimination. Behavioral change won't get people to ride their bike or take public transportation - it will get them to drive their cars to one of my competitors who provides them with parking. It will get them to spend money outside the City.

I encourage all of you to read our Initiative Impact Report which can be found at [EurekaHousingForAll2024.org](http://EurekaHousingForAll2024.org). Last time I was here, this council was adamant that the voters should educate themselves on the details of the Initiative. We couldn't agree more. We created this report so you the councilmembers, city staff, and voters can do exactly that. I encourage to take the time to read both reports. It took us 36 pages to outline and detail all the false and misleading statements in PFA's 27 page report. I did, however particularly enjoy the fact that the cover page of the PFA report is a picture of a FULL parking lot.

MICHELLE COSTANTINE

My name is Michelle Costantine. I am a City of Eureka resident, business owner and co-signer of the Housing for All and Downtown Vitality Initiative.

The proponents of the initiative have created an impact report which can be found on [EurekaHousingforAll2024.org](http://EurekaHousingforAll2024.org). The purpose of our report is to provide an objective "second opinion" to the city's report which presented a biased, and in some cases, false or misleading analysis of the Initiative and the laws governing affordable housing in California.

I would like to call your attention to a few of those points in particular.

First, the Initiative would NOT invalidate the General Plan Housing Element because it does NOT prohibit the construction of affordable housing on the City-owned lots proposed by the Housing Element, or on any of the 21 city-owned lots that would be subject to the Initiative. Since it would not invalidate the Housing Element, it would not prevent the city or a developer from receiving funding for the construction of affordable housing.

The Initiative makes no changes to the city's overall RHNA numbers. It does NOT interfere with the City's ability to meet its RHNA allocation. The Initiative would not impact the City's obligation to plan for the construction of 952 dwelling units through 2027, nor would the Initiative impact the City's ability to construct 330 of those units on City-owned property or the minimum square footage for those City-owned lots that would be subject to the Initiative. In fact, the Initiative provides a pathway for MORE housing to be built by giving new life to the former Jacobs Middle School site.

Preserving parking DOES NOT make affordable housing too expensive to build. In fact, the Housing Element *already* calls for the preservation of parking at three of the six sites awarded for development - the lots at 6th and M, 5th and D and the City Hall Parking Lot on 6th and L. The last of these is particularly interesting because the city wants to maintain the existing ground-level parking for city employees. It is ironic that City officials and staff do not share the same concern for the employees of local businesses when they are the crux of keeping the city going. Moreover, affordable housing with ground-level parking has been constructed all across California, including in Los Angeles, Sacramento, Modesto, and San Jose, among other cities.

The report is supposed to present an objective assessment of the Initiative to help the City and voters. Instead, the City Report is a taxpayer-funded advocacy piece for those City officials and staff whose vision for the City differs from that of the City's voters and business owners.

I encourage all residents of Eureka to read the Initiative Impact Report which, again, can be found at [EurekaHousingForAll2024.org](http://EurekaHousingForAll2024.org).

#### KENNY CARSWELL

My name is Kenny Carswell and I work at Security National Servicing Corporation in Downtown Eureka. I would like to remind everyone that the City Report is supposed to present an objective assessment to inform City officials and voters of the likely effects of the Initiative on City finances, land use plans, housing, and other topics. However, many of the potential negative impacts of the Initiative contained in the city's report are based on incorrect assumptions and false or misleading statements. I would like to take a moment to clarify what the Initiative actually does.

The Initiative amends two General Plan elements - the Housing Element and the Mobility Element - by creating two new overlay designations. An "overlay designation" is a method of adding a new layer of regulation to the regulations already in place. In other words, an overlay designation does not change the current general plan designation or zoning for any property but adds a new set of rules and regulations that apply in addition to the current ones.

The first is a "Housing for All Overlay Designation" for the former Jacobs Middle School site. This would give new life to the site and allow it to be redeveloped into a variety of housing types serving all income levels, as well as neighborhood-serving commercial uses such as corner markets, restaurants, and retail shops. Even the city admits in their report that the redevelopment of the Jacobs site would be "beneficial to the safety of the neighborhood, and allowing low-, medium-, and high-density housing could expand housing choices, consistent with Goal LU-5" [in the General Plan.]

The second is the creation of a "Off-Street Public Parking Overlay Designation" that would apply to 21 City-owned off-street public parking lots. The city proposes to redevelop these parking lots into high-density residential units but does not propose a plan to replace the lost parking spaces. To address this problem, the Off-street public parking overlay would still allow the City to redevelop the lots, but would require the City and its developers to ensure that each development preserves the existing public parking spaces.

The City's current flawed plan would not only result in job losses and losses in retail spending, but would also result in actual fiscal impacts to the City, including loss of significant tax revenue. According to the City's most recent Five Year Financial Forecast *up to 73 percent* of the City's general fund revenues is derived from regional business and tourism.

Business owners have been warning you about this consequence for years yet this is not even considered in the city's report.

The Initiative isn't a different plan - it is an improvement on the City's current plan.