

MENDOCINO RAILWAY

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Citizens of Fort Bragg -

On October 12th at 6pm the City Council is looking to mortgage the police station and city hall to take on more than they can handle with nothing more than a Zoom call. In closed sessions, the city has developed a plan to mortgage key city properties to raise enough money to outbid the Skunk Train's efforts to purchase and develop Mill Site South. Something the city has had no interest in doing until now.

Facing a crisis with nearly \$10M in unfunded CalPers debt (retirement benefits for city employees) which is accruing interest at 7%, the city seeks to pile on an extra \$3,500,000 for the purpose of purchasing the Mill Site South and then indemnifying Georgia Pacific from their own environmental remediation! The mayor's plan buys Mill Site South with massive environmental issues and unlimited liability for the city to clean-up simply to interfere with Mendocino Railway's plan to redevelop the property... Recall that the railroad and the mill site have historically been owned and operated by a single company since its creation. Mendocino simply looks to restore that historic relationship.

When Mendocino Railway purchased the historic Skunk Train out of bankruptcy in 2004 it immediately engaged in discussions with Georgia Pacific about the closed mill site property. In 2019, after many years of city "process" Mendocino Railway was able to close escrow on Mill Site North, 77-acres spanning from the northern edge of Redwood Avenue out to the Coastal Trail, and all the way north to the Glass Beach Parking Lot. Once this transaction was completed, Mendocino Railway provided plans that met with strong support from the city council.

In February 2021 Mendocino acquired a 15-acre purchase from Harvest Market at the corner of Cypress and Main Streets on the former mill site. Mendocino only proceeded with this purchase because the city had encouraged Mendocino Railway to use this for its expansion plans.

Mendocino then worked with GP for a purchase of balance of the mill site, known as Mill Site South. Mendocino Railway recognized the need for a master plan to develop the whole site to ensure consistent planning; (the city abandoned the process in 2020) utilities, water supply and infrastructure planning. Mendocino kept the city manager and mayor informed of the progress of their purchase.

The city then decided to take the purchase from the railroad. With no director of planning, discussion of the city manager going part-time, massive debts, countless other priorities, and failing infrastructure, the city still feels that mortgaging its future and to provide Georgia Pacific with unlimited protection against its own clean-up costs is the right path.

Since 1885, the railroad and city have long had and amicable relationship. The Skunk has been the largest source of tourist revenue for the city and a significant employer. Annually, 75% of the Skunk Train's 65,000 plus passengers travel from Fort Bragg, 80% stay an average of 2.53 nights and have most recently spent \$803 per party during their trip. In the previous 5 years, passengers on the Skunk Train have generated 150,000 room night stays and over \$50,000,000 in spending.

We urge the citizens of Fort Bragg to stand up and say no to the officials who look to mortgage our towns future simply to fuel a war against the Skunk Train.

Robert Jason Pinoli
President - Mendocino Railway