



**AGENCY:** City Council & Planning  
 Commission Joint  
 Workshop  
**MEETING DATE:** 7/18/2018  
**DEPARTMENT:** CDD  
**PRESENTED BY:** Marie Jones  
**EMAIL ADDRESS:** mjones@fortbragg.com

## AGENDA ITEM SUMMARY

**TITLE:**  
**Receive Report and Provide Direction to Staff Regarding Mill Site Reuse Plan Buildout Analysis and Land Use Plan Alternatives**

**ISSUE & BACHGROUND:**

Over the past six months, the Planning Commission, City Council and the Community have defined which portions of Chapters 1 through 6 of 2012 Specific Plan should be retained and rolled into the Major Local Coastal Program (LCP) Amendment and which should be discarded or modified. As direction has been provided, staff has worked to incorporate policies and regulatory language into the three components of the LCP, namely:

1. Land Use Plan (Zoning Map), which defines the uses that are permitted within a zoning district and the location of that zoning district (this is a map);
2. Land Use Policies, which are broadly written and interpreted by City Staff and the Planning Commission to define and describe development outcomes and conditions (this is the General Plan); and
3. Land Use Regulations, which are narrowly written and include strictly applicable requirements for the development of any Land Use (the Zoning Ordinance, e.g. Coastal Land Use and Development Code).

As the background on this project is growing quite voluminous, staff has developed a summary of all workshops and City Council and Planning Commission meetings as a separate document which will be updated for each staff report (Attachment 1). Since January 2017, the City has held 22 community and City Council meetings and workshops regarding the Mill Site Reuse Plan.

The following chapters of the Specific Plan have been discussed and revised by the Community, the Planning Commission and the City Council as follows:

MSRP Chapter	Meeting Dates	Review & Direction Provided
• Land Use Plan		Refinement is ongoing
• Chapter 1: Vision, Guiding Principles & Land Use Plan		Completed, except for direction on extension of CBD onto the Mill Site.
• Chapter 2: Land Use Development Standards		Direction provided on all policies and regulations except for Open Space Land

		Use Table
• <b>Chapter 3: Multi-Modal Circulation, Streetscape, and Stormwater</b>		Initial direction provided, further direction pending transportation study
• <b>Chapter 4: Sustainable Design Plan</b>		Direction provided on all policies except for USGBC LEED requirement, which needs further discussion
• <b>Chapter 5: Open Space, Parks, and Resource Conservation</b>		Completed. Direction provided.
• <b>Chapter 6: Hazards</b>		Pending
• <b>Chapter 7: Utilities and Public Services</b>		Pending
• <b>Chapter 8: Implementation and Phasing</b>		Pending

At the January 10, 2018 Planning Commission meeting the Planning Commission recommended that the Central Business District be extended westward out onto the Mill Site all the way to the Visitor (Hotel) Zoning District in order to allow businesses to take advantage of the exceptional location for business success. At the January 22, 2018 City Council meeting a majority of the City Council wanted a much smaller extension (one block) of the Central Business District onto the Mill Site, based on concerns about potential hollowing out of the downtown as businesses relocate from the downtown core to the Mill Site and as the extension might pull customers/visitors away from the downtown core. As the City Council and the Planning Commission disagreed on this fundamental topic, the City Council directed staff to hold a joint workshop so that the City Council and Planning Commission could discuss the extent of the extension of the Central Business District onto the Mill Site. This workshop is intended to provide the City Council and the Planning Commission with an opportunity to discuss this issue and reach a decision on the extension of the CBD onto the Mill Site.

Additionally, at the June 11<sup>th</sup> City Council Meeting, the City Council directed staff to increase the amount of property zoned for light industrial uses from seven acres to 14 acres and to increase the amount of property zoned for heavy industrial uses from 22 to 32 acres. Council directed staff to reduce the amount of land in the Urban Reserve by 17 acres to accommodate the increase in land zoned for industrial uses. On June 27<sup>th</sup> the Planning Commission discussed this change in light of the Buildout Analysis but did not adopt a recommendation about the best way to address the request for additional industrial acreage. Further the City Council agenda for July 9<sup>th</sup> was very full, so staff moved this issue to this joint workshop as it is a weighty and important discussion.

Staff is seeking direction from the Planning Commission and City Council on the following **general big picture questions** about rezoning the Mill Site:

1. Given the Buildout Analysis below, is City Council and the Planning Commission comfortable with the overall amount of open space, development, housing and jobs that could be accommodated on the Mill Site through this rezoning process?
2. If City Council and the Planning Commission are not comfortable with the amount of development possible through the buildout analysis, how should the amount of development

be changed?

- a. Should the Land Use Plan be revised to dedicate more land to Urban Reserve? For example should the amount of land dedicated to light and heavy industrial uses be decreased, and if yes, how should the Land Use Plan be revised?
  - b. Should the FAR or Lot Coverage Ratio regulations be modified to further limit development on the site such that the amount of land zoned is not reduced but the amount of development permitted on that land is limited;
  - c. Should the Development Limitation Table be brought back to limit development on the Mill Site?
3. How far should the Central Business District be extended onto the Mill Site: one block, two blocks, or three blocks? What uses should be allowed along the extension of Redwood Ave?

## **ANALYSIS:**

### **1. OVERVIEW OF COMMUNITY INPUT**

As a reminder, the Community Survey, completed by over 1,000 residents, included a question that asked respondents to prioritize four statements about the reuse of the Mill Site. As collated in Table 1, Fort Bragg residents placed higher priority on new jobs and business creation on the Mill Site, than on more housing or open space. The current Land Use Plan dedicates 56% of the site to open space, 23% of the site to jobs, 7% to housing and 14% to public rights of way.

	<b>Priority 1</b>	<b>Priority 2</b>	<b>Priority 3</b>	<b>Priority 4</b>
It is more important to add new businesses and jobs to our community	31.68%	22.38%	27.72%	18.22%
It is more important to get well designed and sustainable projects on the site	28.32%	35.94%	26.56%	9.18%
It is more important to build more housing for our community	21.21%	26.26%	24.24%	28.28%
It is more important to limit development and maximize open space	22.44%	15.16%	18.70%	43.70%

### **2. REVISED LAND USE PLAN**

#### **Recent Revisions to the Land Use Plan**

Recent revisions to the Land Use Plan include the following:

1. As directed by City Council, the Land Use Plan was revised to include an additional 17 acres of industrial zoned land; and
2. Staff has developed a number of alternatives to accommodate the additional 17 acres of industrial zoning in different geographic configurations.

#### **Land Use Changes**

Table 2 explores the changes in the City's overall zoning inventory and the Mill Site zoning in terms of land (acres) dedicated to each use type. It also analyzes the proposed change in land use as a percent of the Total in the City. This table uses Land Use Map Alternative E1 (Attachment 2) as the basis for all calculations.

**Table 2: Existing and Proposed Zoning, Proposed % Change in Zoning By land Use, Fort Bragg Mill Site Rezone, 2018**

Zoning: Land Uses	Existing Zoning City Wide		Proposed Zoning Mill Site		Proposed Zoning City Wide		Proposed Change in Land Area (SF)	
	Acres	% Existing City	Acres	% Mill Site	Acres	% Proposed City	Acres	% Change Total
<b>Total Undevelopable</b>	<b>209</b>	<b>11%</b>	<b>230</b>	<b>56%</b>	<b>439</b>	<b>25%</b>	<b>230</b>	<b>110%</b>
Open Space (OS)	119	6%	73	18%	192	11%	73	61%
Parks & Recreation (PR)	90	5%	90	22%	180	10%	90	100%
Urban Reserve (UR)	0	0%	67	16%	67	4%	67	NA
<b>Industrial</b>	<b>521</b>	<b>28%</b>	<b>60</b>	<b>15%</b>	<b>164</b>	<b>9%</b>	<b>-358</b>	<b>-69%</b>
Heavy Industrial (IH)	56	3%	20	5%	75	4%	20	35%
Light Industrial (IL)	48	3%	7	2%	55	3%	7	15%
Timber Resources Industrial (IT)	418	23%	34	8%	34	2%	-384	-92%
<b>Commercial</b>	<b>291</b>	<b>16%</b>	<b>32</b>	<b>8%</b>	<b>323</b>	<b>18%</b>	<b>32</b>	<b>11%</b>
Central Business District (CBD)	51	3%	3	1%	54	3%	3	6%
Highway Commercial (CH)	104	6%	6	1%	110	6%	6	5%
Other: (V), (MSE), (CD)	136	7%	24	6%	159	9%	24	17%
<b>Residential Total</b>	<b>649</b>	<b>35%</b>	<b>28</b>	<b>7%</b>	<b>677</b>	<b>38%</b>	<b>28</b>	<b>4%</b>
Single Family (RL)	389	21%	4	1%	393	22%	4	1%
Multi-Family (RM, RH, RVH)	260	14%	24	6%	284	16%	24	9%
<b>Public Right of Way<sup>1</sup></b>			58	14%			NA	
<b>Harbor District</b>	<b>4</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>4</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Public Facilities</b>	<b>159</b>	<b>9%</b>	<b>5</b>	<b>1%</b>	<b>164</b>	<b>9%</b>	<b>0</b>	<b>0%</b>
<b>Totals</b>	<b>1,833</b>	<b>100%</b>	<b>413</b>	<b>100%</b>	<b>1,770</b>	<b>100%</b>	<b>413</b>	<b>100%</b>

As illustrated in Table 2, above, the Mill Site rezoning would result in the following changes:

1. The amount of land in the entire City that is dedicated to parks, open space and urban reserve would increase 110% (230 acres), from 209 acres to 439 acres. A total of 230 acres or 56% of the Mill Site will be dedicated to parks, open space and urban reserve.
2. The amount of land dedicated to industrial uses would decline by 69% (-358 acres) from 521 acres to 164 acres, as 413 acres of Timber Resources Industrial will be rezoned for a variety of uses. At the end of the rezoning process, 60 acres of the Mill Site would be retained for industrial uses.
3. The overall amount of land dedicated to commercial uses would increase by 11% (32 acres) from 291 acres to 323 acres. The greatest growth (24 acres) would be in the “other category” which includes three new zoning districts, namely: Ocean Dependent, Mill Site Employment, and Visitor.
4. The amount of land dedicated to all residential uses in Fort Bragg would increase 4% (28 acres) from 649 acres to 677 acres. Seven percent of the mill site will be dedicated to housing.

- The total acreage dedicated to each land use now excludes land dedicated to public rights of way, which include streets, alleys, sidewalks and trail. The amount of land dedicated to rights of way is 14 percent of the site, or 58 acres would be dedicated to public rights of way such as streets, alleys, sidewalks and trails.

The two charts below illustrate the proposed changes graphically. Figure 1 illustrates the portion of land that is dedicated to each new zoning district and public rights of way on the Mill Site. Overall 30% of the site will be rezoned for commercial, industrial and residential development, the remaining 70% will be reserved for parks & recreation, open space, urban reserve and public right of way. Question 5 below illustrates the community's sentiment on this topic as captured through the Mill Site survey.

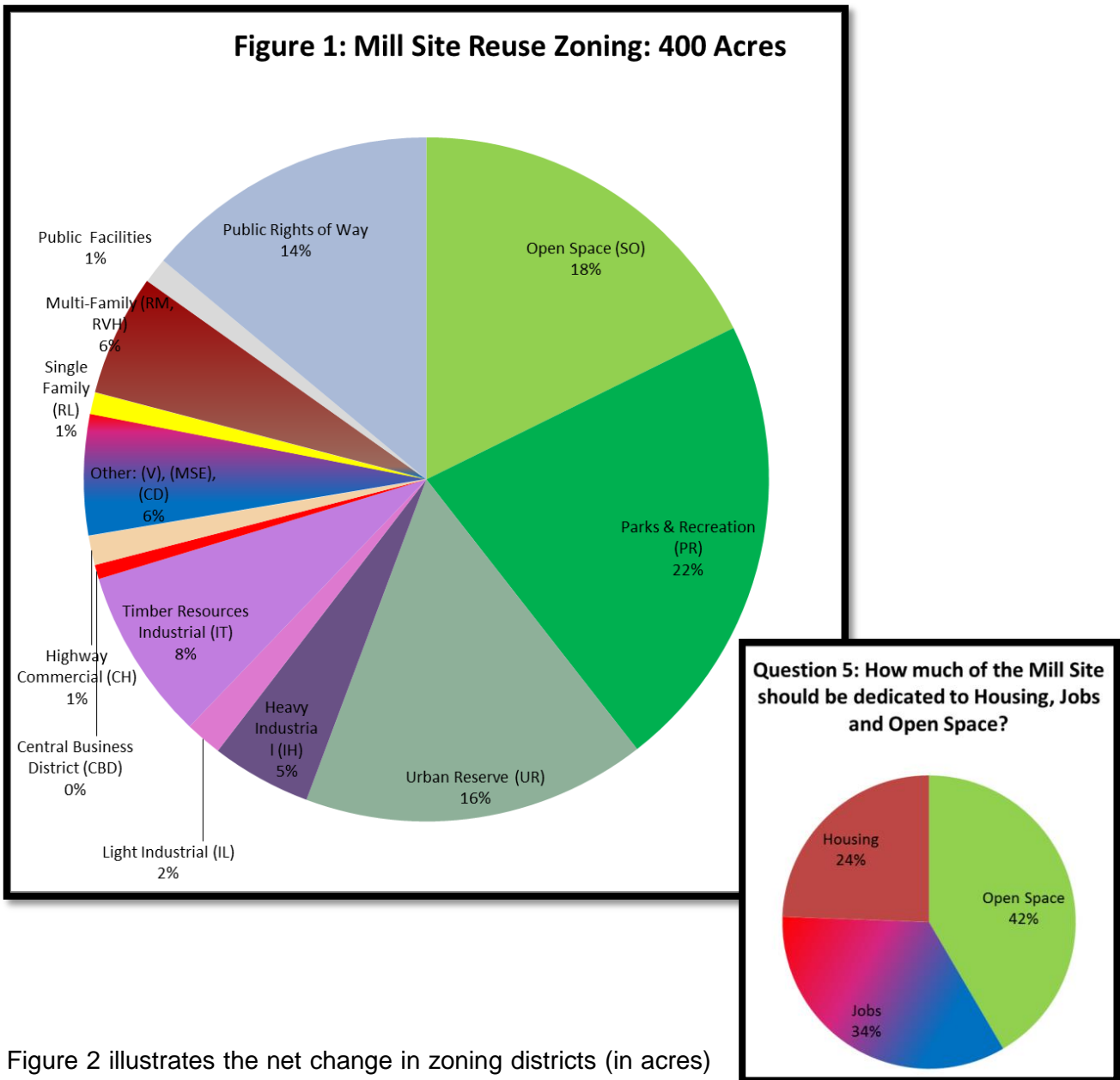
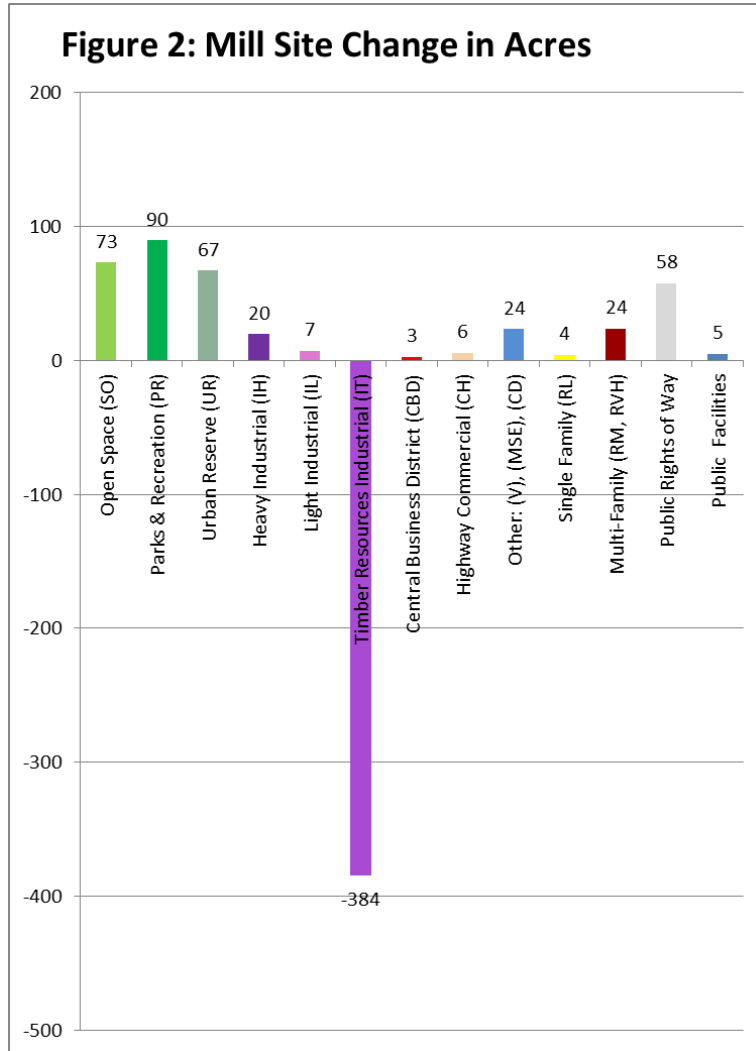


Figure 2 illustrates the net change in zoning districts (in acres)

for the Mill Site. It clearly illustrates the significant loss in Timber Resources Industrial zoning and its replacement with a mix of zoning districts.



The proposed rezone of the Mill Site will significantly increase the citywide amount and proportion of land that is dedicated to parks and open space, slightly increase the land zoned for commercial and industrial uses (except for timber resource uses), and result in a very minor increase in the amount of land dedicated to residential uses.

### 3. BUILDOUT ANALYSIS

## Purpose

Staff completed a Buildout Analysis to identify how much development could occur given the Land Use Plan E1 and proposed zoning changes. The buildout analysis has two primary purposes:

1. To identify maximum buildout, likely buildout, and a realistic timeframe for buildout, so that the community, the City Council and Planning Commission can discuss the potential for development and make any desired adjustments to the proposed Land Use Plan and/or development standards (Floor Area Ratio, Lot Coverage) to reflect the Council's and Commission's goal's and vision for the ultimate level and amount of development on the site.
2. The buildout analysis is also used to quantify public service needs (police, fire, hospital, school) and utility (water, sewer, stormwater drainage, solid waste, transportation) for the site. The final Buildout Analysis will be used by various consultants to complete analyses of the potential impact of the proposed rezoning and LCP Amendment on the environment and by the Coastal Commission to process the LCP amendment.

While this staff report and workshop is focused on using the buildout analysis to frame the discussion around the Land Use Plan and the likely level of development on the site, it is important to keep in mind that buildout will be analyzed in depth by Coastal Commission staff and the City to ensure that the City has sufficient infrastructure and service capacity to serve eventual Mill Site development.

## Buildout Methodology

The Buildout Analysis includes three different and complementary methodologies as detailed below.

1. **Maximum Buildout.** Calculation of the maximum development amount includes utilization of development regulations to define the maximum legally feasible development. The land use regulations, which constrain development, include (from most to least limiting): building massing limitations (Floor Area Ratio), lot coverage, parking requirements, height limits, setback requirements and landscaping requirements. Attachment 3 includes the detailed analysis spread sheet for this buildout analysis. The maximum buildout is almost never realized as development projects are influenced significantly by market support, user goals, aesthetics, regulatory requirements and the discretionary planning permit review process.
2. **Realistic buildout.** Maximum buildout is rarely realized, as property owners typically seek to develop their property to meet their needs and City approvals rarely result in maximum allowable buildout for a parcel. All projects will require Coastal Development Permit review, which further restrains development to protect coastal resources such as rare plants, visual resources, coastal access, cultural resources, geotechnical limitations, etc. In order to estimate a more realistic buildout analysis, staff sampled existing developments in town, by zoning district, to get a real world FAR; staff used the average/typical actual Floor Area ratio (FAR) buildout of existing parcels and applied the FAR to the proposed zoning acreage on the Mill Site to determine likely future buildout. This analysis is in Attachment 4 and is a more "real word" realistic future buildout.
3. **Realistic Buildout by 2050.** This methodology utilizes the realistic buildout numbers identified in buildout scenario 2 above and maps them over a likely development timeframe of five year increments through 2050, given current and likely market forces and past

development trends. This methodology identifies how market forces influence the actual buildout and is the most realistic analysis of true buildout potential.

It is important to remember that each buildout analysis is based on assumptions and standard industry multipliers. None of the buildout scenarios is a perfect predictor of the future. However the “Realistic Buildout by 2050” is grounded in market predictions and thus is the most realistic. Assumptions are noted in the notes section of each buildout scenario.

**Buildout Results**

**Maximum Buildout**

As shown in Attachment 3 and as summarized in Table 3 below, the Maximum Buildout Analysis identifies the potential for significant new development on the Mill Site for Land Use Plan E.

If each parcel is developed to the maximum legal limit (a very unlikely scenario) Land Use Plan E buildout would result in: 230 acres of parks, open space & urban reserve, 813 units of housing, and 2,700 new jobs. Total development would include 162 hotel rooms, 622,000 SF of commercial and institutional development, and 1 million SF of industrial development.

<b>Table 3: Maximum Development Potential For Land Use Plan E</b>		
<b>Total Parks and Open Space (acres)</b>	230	Acres
<b>Total Housing Units</b>	813	Units
<b>Total Housing (Square Feet)</b>	899,400	SF
<b>Total Square Feet of Industrial Development</b>	1,049,796	SF
<b>Total Square Feet of Commercial &amp; Institutional</b>	622,588	SF
<b>Total Hotel Rooms</b>	162	rooms
<b>Total Jobs</b>	2,718	Jobs
<b>Total Development</b>	<b>2,571,784</b>	<b>SF</b>

As previously mentioned, maximum buildout (2.5 million SF) would not happen in the real world, as actual development is influenced by a wide variety of factors including: market support, the vision and business needs of the property owner, the availability/cost of capital to finance development, limitations on development due to the presence of coastal resources on the property (rare plants, cultural resources, public access, etc.), limitations placed on development through CEQA mitigations (due to water availability, visual resources, traffic impacts, etc.) and limitations placed on a project through the permitting process.

The maximum development scenario is intellectually interesting but not “real world.” The Most Likely Buildout Scenario below attempts to ground the buildout scenario given realistic real world limitations on development and historic Fort Bragg development patterns and trends.

**Most Likely Buildout**

As shown in Attachment 4 and as summarized in Table 4 below, the Most Likely Buildout analysis applies the average of existing development (buildout per acre for each zoning district within the rest of Fort Bragg) to the Mill Site zoning districts. The most likely development scenario illustrates how the



Mill Site would build out if the development intensity was similar to existing development throughout the City. The “most likely” buildout scenario shows that likely future development would be significantly less than the Maximum Buildout Analysis above.

If each Mill Site parcel is developed to the average level of development in Fort Bragg, Land Use Plan E buildout would result in: 230 acres of parks, open space & urban reserve; 343 units of housing, and 1,108 new jobs. Total development would include 162 hotel rooms, 406,000 SF of commercial & institutional development, and 245,000 SF of industrial development.

<b>Table 4: Most Likely Development Potential For Land Use Plans E1-3</b>		
<b>Total Parks and Open Space (acres)</b>	230	Acres
<b>Total Housing Units</b>	343	Units
<b>Total Housing (Square Feet)</b>	406,640	SF
<b>Total Square Feet of Industrial Development</b>	245,387	SF
<b>Total Square Feet of Commercial &amp; Institutional</b>	455,717	SF
<b>Total Hotel Rooms</b>	162	Rooms
<b>Total Jobs</b>	1,108	Jobs
<b>Total Development</b>	<b>652,027</b>	<b>SF</b>

It is interesting to note that the Mill Site had approximately 470,000 SF of industrial buildings prior to its closure, and even with only 60 acres of industrial land, the Mill Site could accommodate 406,000 SF of new industrial uses. This is because the lumber mill left much of the property free of buildings for the storage of logs and finished lumber, while other industrial uses dedicate more land to buildings.

**Likely Buildout By 2050.**

The following buildout analysis is a prediction about the future of the real estate, housing and business markets in Fort Bragg. Predictions of the future, especially extending forward to 2050 are by their very nature uncertain. Housing prices and job growth are volatile and the economy goes through cyclical recessions and growth cycles. Past development trends for housing, job growth and commercial and industrial development in Fort Bragg, may not accurately predict future development on the Mill Site as the Mill Site is unlike any other property in Fort Bragg or the surrounding county. It has exceptional views, is a huge undeveloped site and has relatively easy access to sewer, water and power. However barriers to development in Fort Bragg will also limit development on the Mill Site, and include: high cost installing infrastructure on the Mill Site, the depth of the labor pool, the cost of transportation, the weather, and the cost of housing, etc.

Table 5 provides a timeline for actual buildout, given past and current development trends and anticipated future market conditions and development trends. The analysis is based on the following historic trends and assumptions:

- I. Historically about 15 new single family and ADU's are built in Fort Bragg per year, and one larger multifamily development of around 50 units is built every five years. This buildout analysis assumes twice the historic demand in order to house employees of new business on the Mill Site and to address pent up demand for housing. The single family units would continue to be constructed off the Mill Site, as the Land Use Plan does only includes four acres

of zoning for single family development and this parcel is already developed (Noyo Point Rd Native American Community).

- II. Past development trends indicate that about 25,000 SF of commercial/institutional space is built every five years in Fort Bragg. This analysis assumes 50% more commercial and institutional development than this historic trend and is predicated on the relocation of the Hospital onto the Mill Site or some other large institutional development such as a small college and/or the full development of the Noyo Center for the Marine Research.
- III. Past hotel trends indicate that one hotel of 50 rooms is built in Fort Bragg about every five years (except for during recessions).
- IV. Approximately 10,000 SF of Industrial space is constructed every five years in Fort Bragg currently, however due to the limited land zoned for light and heavy industrial uses in Fort Bragg, there may be significant pent up demand for new industrial development. The analysis assumes more than three times the historical amount of development and thus is very generous.
- V. New development on the Mill Site will likely reduce development in the remainder of the City, as the Mill Site provides exceptional views, good parcel size and new infrastructure. The analysis assumes that development in other areas of the City will decline to less than 50 percent of current and historic levels.

The buildout analysis in Table 5 is optimistic relative to past development trends in Fort Bragg. Given the challenges to economic development in Fort Bragg (travel distance, shipping costs, workforce availability, cost of housing, etc.) the total projected job and business growth through 2050 will be slow. As noted in Table 5 the rate of buildout would be correspondingly slow with much of the potential development (from the Most Likely Buildout scenario) unrealized by 2050. Indeed through 2050, the market would support only about 90,000 SF of commercial development on the Mill Site, 157,000 SF of institutional development (if the Hospital is relocated to the Mill Site or some other large institutional use opens on the Mill Site), and about 110,000 SF of industrial development. Most of the possible housing units (395) would be developed by 2050.

**Table 5: Mill Site and City Development Projections 2012-2050**

Year	2020	2025	2030	2035	2040	2045	2050	Total Jobs	Total Market Support	Total Likely
<b>Rest of City of Fort Bragg - New Construction</b>										
Residential - Single Family Density	30	30	25	25	15	15	10		150	Units
Residential - Multifamily Units	45	25	25	20	20	-	-		135	Units
Total Housing Units	75	55	50	45	35	15	10		285	
Hotel Rooms & Jobs	-	45	-	30	-	45	-	96	120	Rooms
Commercial (square Feet & jobs)	15,000	5,000	5,000	10,000	5,000	5,000	10,000	110	55,000	SF
Institutional, Health Care, Hospitals, Schools...	3,000	8,000	4,000	8,000	4,000	8,000	4,000	78	39,000	SF
Industrial	3,000	5,000	2,000	4,000	2,000	4,000	2,000	37	22,000	SF
<b>Total Business: Jobs &amp; Square Feet of Development</b>								321	116,000	
<b>Jobs Housing Balance</b>								1.13		
<b>Mill Site Specific Plan Area - New Construction</b>										
Residential - Medium Density Units	4	30	30	20	12	-	-		96	96 Units
Residential - High Density Units	-	60	60	75	50	48	-		293	299 Units
Total Housing Units	4	90	90	95	62	48	-		389	395
Hotel Rooms	-	-	50	-	40	-	50	112	140	162 Rooms
Commercial (SF)	-	30,000	10,000	20,000	10,000	15,000	5,000	182	90,818	187,667 SF
Institutional, Health Care, Hospitals, Schools (SF)	-	20,000	90,000	10,000	5,000	12,000	20,000	314	157,000	170,000 SF
Industrial (SF)	-	25,000	25,000	10,000	25,000	10,000	15,000	183	110,000	245,387 SF
<b>Total Business: Jobs &amp; Square Feet of Development</b>								791	357,818	
<b>Jobs Housing Balance</b>								2.03		
<b>Entire City of Fort Bragg - New Construction</b>										
Residential - Medium Density Units	34	60	55	45	27	15	10		246	Units
Residential - Multifamily Units	45	85	85	95	70	48	-		428	Units
Total Housing Units	79	145	140	140	97	63	10		674	
Hotel Rooms & Jobs	-	45	50	30	40	45	50	208	260	Rooms
Commercial (square Feet & jobs)	15,000	35,000	15,000	30,000	15,000	20,000	15,000	292	145,818	SF
Institutional, Health Care, Hospitals, Schools...	3,000	28,000	94,000	18,000	9,000	20,000	24,000	392	196,000	SF
Industrial	3,000	30,000	27,000	14,000	27,000	14,000	17,000	220	132,000	SF
<b>Total Business: Jobs &amp; Square Feet of Development</b>								1,112	473,818	
<b>Jobs Housing Balance</b>								1.65		

The Land Use Plan effectively zones for all future uses for a thirty year build out. It also rezones for an excess of industrial and commercial uses given the above optimistic predictions about demand.

Given this more realistic chronological buildout scenario, the City Council and Planning Commission may want to:

1. Decide if you want to zone for significantly more industrial and commercial capacity than is likely to be needed over the next 30 years. Currently the plan would zone for two times as much industrial and commercial land as is likely to be absorbed over the next 30 years.
  - a. Is this “extra” capacity desired?
  - b. If not how should the Land Use Map be revised?
2. If you want to retain the zoning map as it is and you do not want to have excess zoning capacity, some alternatives for dealing with the “excess” industrial and commercial zoning capacity include:
  - a. Combine industrial use types (such as heavy industrial and timber resources industrial) in order to reduce the total footprint of industrial while allowing for flexibility in zoning that would allow a lumber mill and/or heavy industrial uses in the same zoning district; and/or
  - b. Establish a lower FAR (0.2) to cut in half the amount of development that could occur on property that is zoned industrial or commercial.
  - c. Establish a Development Limitation for the amount of industrial and commercial development with a General Plan Policy.

It may be a good idea to zone excess land for commercial and industrial uses as the Coastal Commission generally seems to prefer less industrial land as it is not part of the “Coastal Dependent” mandate. The Coastal Commission may reduce the amount of land dedicated to industrial zoning through their review and approval process.

#### 4. EXTENSION OF THE CENTRAL BUSINESS DISTRICT ONTO THE MILL SITE

The City Council and Planning Commission have asked for a joint workshop to discuss differences about how much the Central Business District should be extended onto the Mill Site. At past meetings, the City Council felt that the Central Business District should not be extended onto the Mill Site, because of potential economic impacts of a competing downtown on a struggling Franklin Street. At past meetings the Planning Commission felt that the CBD should be extended downtown because it would provide a better retailing environment and could result in better business success to our local businesses, when they move out onto the site. The Planning Commission was particularly interested in allowing restaurant uses on the Mill Site to take advantage of beautiful views.

Some arguments regarding the extension of the Central Business District (CBD) onto the Mill Site are detailed below for your consideration.

Ideas that Favor Expansion of the CBD onto the Mill Site	Ideas that Contraindicate an Expansion of the CBD onto the Mill Site
<p>The Mill Site offers a unique environment that could improve the success of local retailers when they relocate onto the site. Retailers would offer a shopping experience (to rival the shopping experience in Mendocino) with ocean views, access to parks, and access to the Coastal Trail.</p>	<p>The businesses that are left behind in the old downtown will suffer if new CBD zoning allows some business to move onto the Mill Site. The businesses that are left behind will suffer as a result of the loss of pedestrian oriented retail in downtown.</p>
<p>Fort Bragg’s existing Central Business District is a large area, and much of it does not function effectively as part of a tourist-oriented downtown. Some of the areas zoned CBD in downtown Fort Bragg could be rezoned for housing, for example along the west side of McPherson Street. This would increase demand for office and other business related uses in the rest of downtown, as houses are converted to residential units. Other areas exhibit development patterns more closely resembling General Commercial (CG) and may function better zoned as such. Rezoning of a portion of the Mill Site to CBD should be coupled with a review of zoning in the existing CBD.</p>	<p>The Central Business District is already suffering from vacant storefronts and under-utilized properties. Adding new CBD zoning on the Mill Site will further erode the businesses that existing in the downtown by creating a new competing downtown on the Mill Site.</p>
<p>The City’s tourism economy will continue to grow. Tourists want to shop on the coast. If a nice new City square on the Mill Site is surrounded by</p>	<p>Amazon and other online retailers are going to continue to result in the demise of Brick and Mortar retailers. Adding new CBD zoning will not</p>

shopping (like Healdsburg), this will make Fort Bragg more of a destination and will increase the number of tourists that come to Fort Bragg and the length of their stay here.	actually result in any new retail development.
Extending the CBD onto the Mill Site will facilitate a more cohesive connection between Fort Bragg and the Mill Site as it is redeveloped, by creating activated public space that is not open space. The CBD extension will connect our downtown with the Mill Site. Residential and industrial uses don't result in this same sense of public ownership of the urban fabric.	The City has expended considerable funds improving the street scape in downtown. The effectiveness of this investment may be reduced by an expansion of the CBD onto the Mill Site
A successful downtown extension on the Mill Site could strengthen our existing downtown as more people will come to experience shopping on the coast and in old town. Fort Bragg's downtown could be as successful as Mendocino's, which is much larger partially because of the ocean views and beauty.	
The expansion of the Central Business District should include some zoning for a small boutique hotel close to downtown to help energize the redevelopment of the site and bring additional TOT to the City early in the redevelopment process.	

Staff has prepared three alternative CBD Extension Maps for the Planning Commission and City Council's consideration regarding the extension of the CBD onto the Mill Site.

**CBD Extension: Alternative 1, from Land Use Plan C**

Alternative 1 includes the following features:

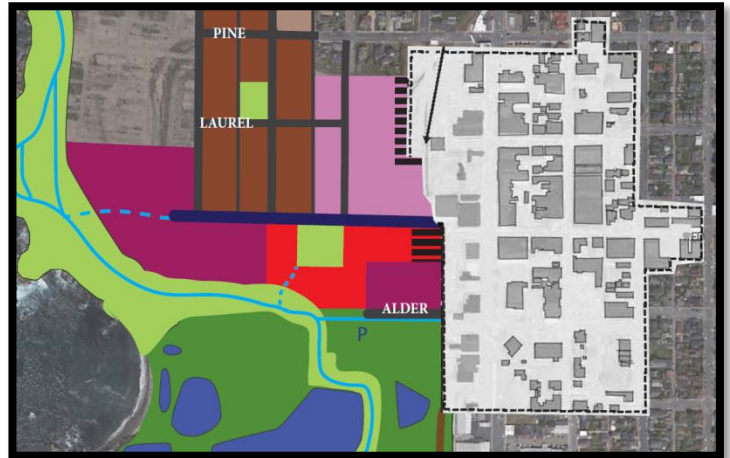
- CBD zoning along the eastern most block of Redwood Ave, with a combination of residential and CBD overlooking the town square.
- Residential development along two westernmost blocks of Redwood Ave and a
- Visitor serving hotel at the end of Redwood Ave.



### CBD Extension: Alternative 2

Alternative 2 includes the following features:

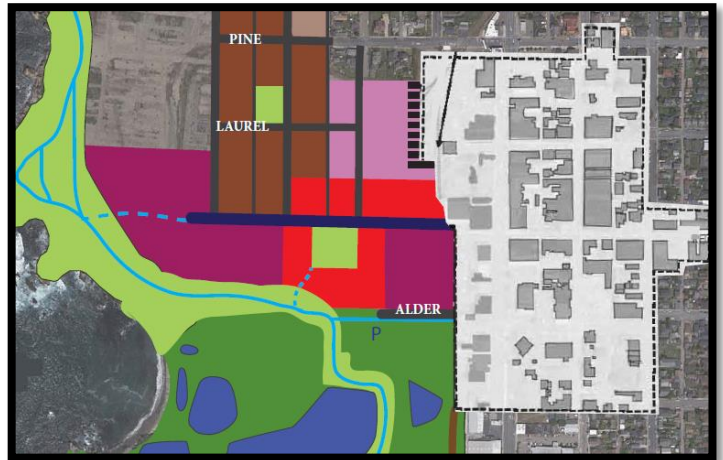
- CBD zoning along the south side of two blocks of Redwood Ave, with CBD overlooking three side of the town square.
- A combination of Light Industrial and Residential development along the north side of Redwood.
- Visitor serving at the end of Redwood Ave and between Redwood and Alder Street, adjacent to Downtown.



### CBD Extension: Alternative 3

Alternative 3 includes the following features:

- CBD zoning along the north and south side of the westernmost two blocks of Redwood Ave, with CBD overlooking all four sides of the town square.
- Visitor serving at both the western and eastern ends of Redwood Ave.



Staff is seeking general direction regarding how to address the extension of CDB zoning on the Mill Site, as well as other input and comments about other zoning districts in this key area of the Land Use Plan, including:

- What are your preferred land uses around the downtown square: Residential, CBD, Light Industrial, and/or Visitor?
- Should Visitor zoning be located only at the western terminus of Redwood Ave or at both ends?
- Should light industrial front a portion of Redwood Ave? Please consider all uses that are allowed in this zoning district.
- Other input?

Staff will use Adobe Illustrator at the podium to design the zoning of downtown in real time per direction provided by City Council and the Planning Commission at the meeting.

## 5. LAND USE PLAN REVISIONS

The community, City Council and Planning Commission developed and fine-tuned a draft preferred Land Use Plan C for the rezoning and reuse of the Mill Site as illustrated in Figure 1.

Staff has developed three land use alternatives to accommodate the additional 7 acres of light industrial and 10 acres of heavy industrial. If the Council and Planning Commission want to add 17 acres of industrial zoning, staff is seeking direction on the best way to accommodate the additional industrial zoning on the site. Staff has prepared some Land Use Plan alternatives for your consideration, below:



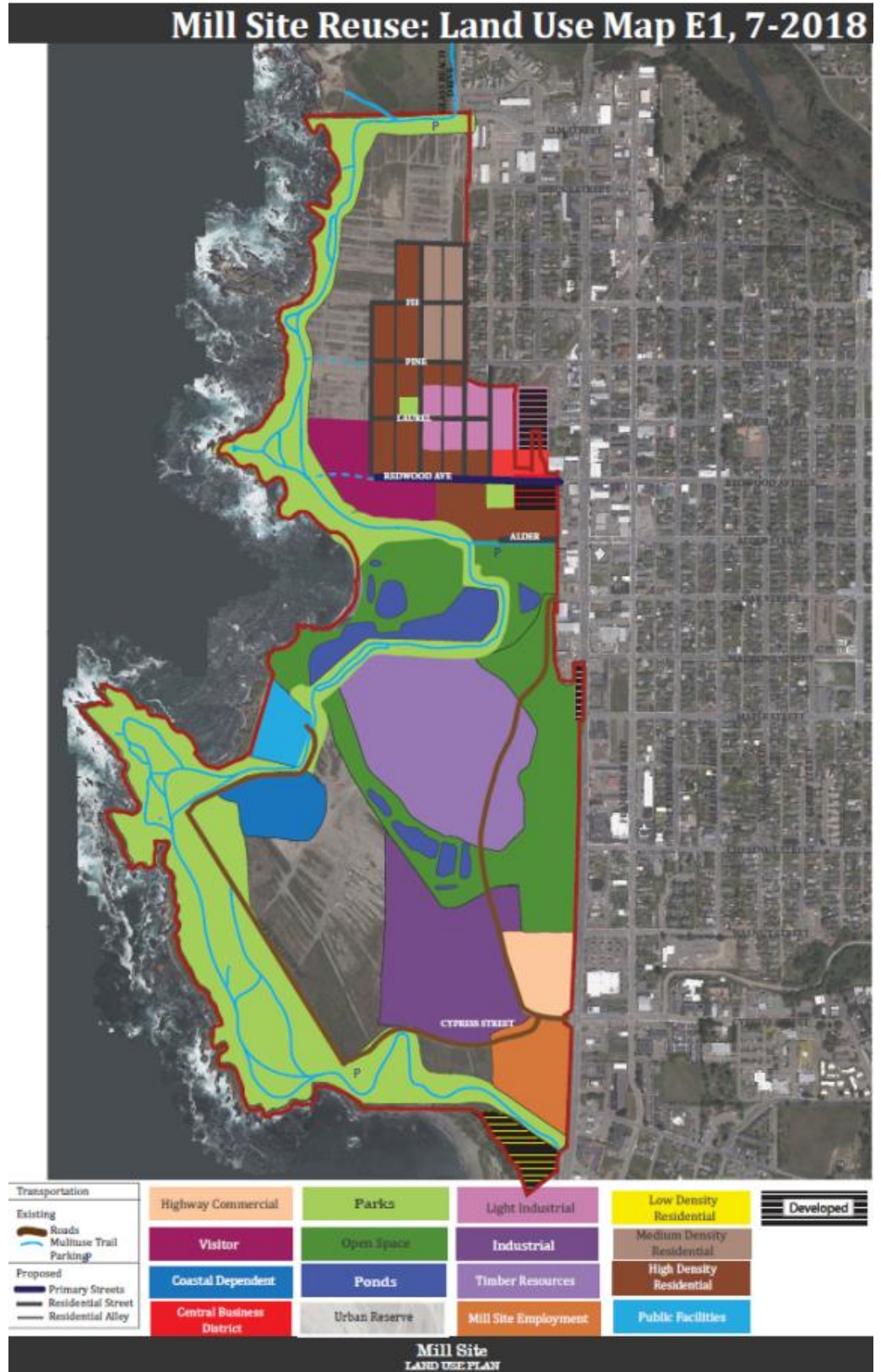
**Land Use Map E1**

extends the Light Industrial zoning by adding seven additional acres to the northern district. In order to make room for the additional light industrial zoning, the high density and medium residential zoning was shifted to the west and north.

This Land Use Plan has the potential to create zoning conflicts between future light industrial uses and future surrounding residential and commercial uses. It could change the character of the extension of Redwood Avenue out onto the Mill Site to have a more industrial feel.

This Land Use Map also extends the heavy industrial in the southern district immediately to the west by ten acres.

This approach is not recommended due to a potential for land use conflicts in the Central District.





## Land Use Map E2

Adds 5 acres of Light Industrial zoning directly to the west of Rossi's Lumber. This area already has a number of adjacent large light industrial uses (Rossi's & Holms Lumber), and it is less likely to have a negative impact on adjacent residential uses. This location would impact coastal trail users, as the proposed zoning would be located adjacent to the Coastal Trail parking lot.

This Land Use Map also extends the heavy industrial in the southern district immediately to the west by ten acres.



**Land Use Map E3** includes a number of changes:

- Six acres of Light Industrial have been added to the area zoned for Timber Resource Industrial. The light industrial would provide a buffer between the Coastal Trail and a future timber mill. There is also easy access to City sewer and water in this location.
- The Light Industrial zone in the central district has been extended by one acre south to Redwood Street.
- The residential areas have been relocated to the north to enable a through road to Glass Beach Drive and to bring the housing closer to the existing neighborhood to reduce infrastructure costs and comply with Council Direction to allow development from east to west on the site.
- The Central Business District zoning has been reconfigured around the future downtown square, as requested at many community meetings.
- An acre of Visitor zoning has been added between Redwood Ave and the Alder Street access to the Coastal Trail. This additional visitor serving zoning would allow for the development of an early small boutique hotel in our downtown, adding another source of TOT revenues to the City of Fort Bragg and helping to improve the Fiscal Impact performance of the project.
- The Heavy Industrial Zone has been expanded by ten acres.



Staff is seeking general direction regarding how to revise the Land Use Plan as a whole, including:

- Which of the alternatives do you prefer and why?
- Where should we accommodate any additional Light & Heavy Industrial zoning?
- Other input?

Staff will use illustrator at the podium to revise the Land Use Plan in real time per direction provided by City Council and the Planning Commission at the meeting, if needed.

**RECOMMENDED ACTIONS:**

Provide direction to staff regarding the following:

1. Given the Buildout Analysis, is City Council and the Planning Commission comfortable with the overall amount of open space, development, housing and jobs that could be accommodated on the Mill Site through this rezoning process?
2. If City Council and the Planning Commission are not comfortable with the amount of development possible through the buildout analysis, how should the amount of development be changed, some alternatives include:
  - a. Should the Land Use Plan be revised to dedicate more or less land to Urban Reserve, open space, housing, industrial or commercial zoning?
    - i. For example the Land Use Plan currently would zone for significantly more industrial and commercial capacity than is likely to be needed over the next 30 years. Currently the plan would zone for two times as much industrial and commercial land as is likely to be absorbed through 2050.
      1. Is this “extra” capacity desired?
      2. If not how should the Land Use Map be revised?
    - ii. Should the amount of land dedicated to an extension of the CBD onto the Mill Site be increased? By how much and where?
  - b. Should the FAR or Lot Coverage Ratio regulations be modified to further limit development in specific zoning districts on the site such that the amount of land zoned is not reduced but the amount of development permitted on that land is limited;
  - c. Should the Development Limitation Table be brought back to limit development on the Mill Site, for example limited the total number of housing units to a specific amount or the total square feet of industrial development to a specific amount.
3. How far should the Central Business District be extended onto the Mill Site: one block, two blocks, or three blocks? What uses should be allowed along the extension of Redwood Ave?
4. Which overall Land Use Plan Alternative do you prefer (C, E1, E2 or E3) and why?

**ALTERNATIVE ACTION(S):**

None.

**FISCAL IMPACT:**

The City was awarded a Community Development Block Grant (CDBG) in the amount of \$50,000, a Coastal Commission grant of \$100,000, and a \$48,000 MCOG grant for this LCP amendment.

As City Council and the Planning Commission further refine a final Land Use Plan and LCP Amendment, staff will prepare a fiscal analysis to identify if the overall Mill Site Reuse will have a net positive fiscal impact on Fort Bragg.

**CONSISTENCY:**

The City's 2014 Economic Development Strategy specifically includes rezoning and the eventual reuse of the Mill Site as a high priority project. The project must comply with the City's Coastal General Plan in order to be certified by the Coastal Commission. This may require modification of one or more policies of the Coastal General Plan prior to submittal of an LCP amendment.

**IMPLEMENTATION/TIMEFRAMES:**

There are a number of next steps for the Mill Site LCP amendment process, which will necessitate ongoing meetings and workshops to obtain additional input, collaboration and direction from the City Council, Planning Commission and the community in order to complete the following:

1. Ongoing: Prepare a preferred Land Use Plan for the LCP amendment for rezoning of the Mill Site.
2. Ongoing: Revise the 2012 Specific Plan policies and regulations for inclusion in the LCP amendment application. This is a large task and will likely be completed by the end of the summer.
3. Completed: Determine the "maximum buildout" scenario for the proposed Land Use Plan based on development regulations (height limits, parking requirements, floor area ratios, lot coverage, open space requirements and setbacks) for each zoning district.
4. July 2018: Prepare a fiscal analysis to identify the impacts of buildout under the Land Use Plan on the City's fiscal position and to identify phasing policies necessary to ensure that future development results in positive fiscal impacts.
5. Complete required environmental and planning studies for Council and Planning Commission consideration and for the Coastal Commission's environmental review of the LCP amendment. Some reports have already been prepared and will need updating, while others will need to be prepared. Required reports include:
  - a. Buildout analysis;
  - b. Analysis of the City's capacity to serve future development, including: water, sewer, police, fire, emergency medical, schools, dry utilities, public transit, etc.;
  - c. Summary of current lower cost visitor serving facilities, including: room inventory, revenue per available room, occupancy rates, etc.;
  - d. Transportation study, including availability of parking to serve coastal access and the effects of the project on the capacity of Highway 1 and Highway 20 both within and outside of City Limits;
  - e. Impact of sea level rise/bluff vulnerability on future development under the proposed Land Use Plan;
  - f. Impact of the Mill Site buildout on climate change;
  - g. Tsunami study;
  - h. Visual Analysis of Land Use Plan and analysis of how the Citywide Design Guidelines would be revised and implemented on site to reduce visual impacts.

While the Coastal Commission staff initially indicated that a botanical and wetland study update would be required for the Land Use Plan for non-paved areas of the site, they have

since determined that if each parcel on the site includes a developable area (that is covered in pavement) than a botanical and wetland delineation would not be required at his time, but would instead be required at the time of development.

6. Continue consultation process with the Sherwood Valley Band of Pomo and, where feasible, incorporate agreed upon policy language and Land Use Plan modifications into the project.
7. Prepare the complete LCP Amendment application, which would incorporate: 1) all new land use designations into the City's Zoning Map; 2) all policies related to the Mill Site reuse into the Coastal General Plan; and 3) all new regulations into the Coastal Land Use and Development Code. Coastal Commission staff indicated that a stand-alone document for the rezoning of the Mill Site is not preferred as it would make it more difficult for Coastal Commissioners to understand how the new zoning, policies and regulations align with and are supported by existing policies and regulations in the Coastal General Plan and Coastal Land Use and Development Code.

**ATTACHMENTS:**

1. Summary of past Workshops & Planning Commission and City Council direction
2. Land Use Plan Alternatives E1 through E3
3. Maximum Buildout Analysis
4. Realistic Buildout Analysis
5. Likely Buildout by 2050 Analysis

**NOTIFICATION:**

1. Georgia Pacific Site Plan Notify Me Subscriber List
2. Georgia Pacific Site Remediation Notify Me Subscriber List
3. Downtown Businesses Notify Me Subscriber List
4. Affordable Housing Notify Me Subscriber List
5. Economic Development Notify Me Subscriber List
6. Community Development Notify Me Subscriber List
7. Dave Massengill, Georgia-Pacific Corporation
8. Sherwood Valley Band of Pomo Tribal Chairman Mike Knight & THPO Tina Sutherland
9. Cristin Kenyon, California Coastal Commission