



CITY COUNCIL STAFF REPORT

TO: Community Development Committee

DATE: August 18, 2025

DEPARTMENT: City Manager's Office

PREPARED BY: Isaac Whippy, City Manager

PRESENTER: Isaac Whippy, City Manager

AGENDA TITLE: Receive the Staff Report and Provide Direction on Comprehensive Strategies to Address Vacant Buildings and Lots in Commercial Zones, and Make Recommendation to the City Council

RECOMMENDATION

Staff recommends that the Committee review and provide a recommendation to the City Council on the proposed Commercial Vacant Building & Lot (CVBL) Program Ordinance establishing a mandatory registry for all vacant commercial buildings and lots within the City of Fort Bragg.

BACKGROUND

Downtown Fort Bragg is the heart of our community and a key driver of the local economy. Recently, however, an increasing number of commercial spaces in the Central Business District (CBD) have sat vacant or underused, sometimes for many years. Long-term vacancies affect the pedestrian experience, reduce business for neighboring stores, reduce tax revenue, deter investment, and give the impression of economic stagnation/decline. Unmaintained properties can also create public safety concerns, attract vandalism or illegal dumping, and place additional demands on City resources.

Other California cities have addressed these challenges through measures like vacancy registries, vacant property taxes, temporary activation programs, and small business incentives. These tools aim to keep downtown areas vibrant, encourage the reuse of empty spaces, and reduce blight.

This challenge also presents an opportunity: by working together, we can find creative, local solutions to activate vacant spaces, support small businesses, and ensure our downtown remains welcoming, attractive, and economically strong for years to come. Staff is seeking Committee feedback on strategies to make that vision a reality. A few example of vacant buildings are listed on the next page in the City's commercial zone.



Former gas station, Vacant for 10+ years
223 North Main Street, 1,900 SF



Multiple uses, vacant for 2+ years
2,300 SF. 28 West Redwood Ave.



Former Amerigas Office, Vacant for 5+ years
300 S Main Street, 2,000 SF



Vacant for 10+ years
200 East Oak St, 2,800 SF

Source: Marie Jones Consulting

Vacant Properties, Fort Bragg, 2025

Address	SF	Estimated Years Vacant
223 North Main Street	1,900	5
223 North Main Street	9000	10
28 West Redwood Ave.	2,300	2
118 N Main Street	1,700	1
300 S Main Street	2,000	5
400 S Main Street	3,500	0.5
1102 S Main Street	1,800	0.5
Various Boatyard Drive	4,500	1
126 N Franklin Street	2,500	3
120 N Franklin Street	3,100	0.6
200 East Oak St	2,800	10
116 E Laurel Street	765	10
210 East redwood	500	4
134 E Redwood Ave.	600	NA
311 North Franklin	4,000	0.5
335 N Franklin Street	2,000	8
310 N Franklin Street	1,400	3
Total	44,365	4



Angle's Restaurant, vacant for 6 months.
400 S Main Street, 3,500 SF



Vacant for 8+ years.
335 N Franklin Street, 2,000 SF



Former Smoke Shop, vacant for more than four years.
210 East redwood, 500 SF

DISCUSSION AND ANALYSIS

Downtown Fort Bragg's vitality depends on active, well-maintained and occupied commercial spaces. Vacant or abandoned buildings and lots can undermine that vitality—reducing foot traffic and business success, deterring investment, and creating safety hazards. To address these challenges, staff proposes the Vacant Building & Lot Commercial Program, a proactive approach to keep our business districts secure, attractive, and economically strong.

1. (A) COMMERCIAL VACANT BUILDINGS AND LOT REGISTRY (CVBL)

A Vacant Commercial Registry is an important tool for keeping Fort Bragg's downtown active, safe, and appealing.

1. Keeps Downtown Vibrant – Vacant storefronts hurt foot traffic. By tracking and engaging owners of vacant storefronts, the program helps fill empty spaces more quickly, boosting foot traffic and supporting surrounding businesses.
2. Prevents Blight and Safety Issues – Requires upkeep to deter vandalism, dumping, and trespassing.
3. Holds Owners Accountable – Establishes clear expectations and reliable points of contact, making it easier for the City to coordinate improvements and encourage investments.
4. Supports Business Attraction – Helps the City target revitalization efforts strategically.
5. Covers Enforcement Costs – Ensures the program is self-funded, not taxpayer-subsidized.

The CVBL Program applies to properties in commercial zones that have been vacant for 90 consecutive days or more, and either:

- It is within a Commercial Zone in Fort Bragg; **AND**
- It has been vacant or unused for 90+ consecutive days; **AND**
- It has a recorded Notice of Default OR shows clear evidence of vacancy (boarded/broken windows, disconnected utilities, overgrown vegetation, graffiti, uncollected mail, abandoned displays, junk visible from the storefront, etc.).

Vacant lots are also included if they have no active use and exhibit similar signs of neglect.

The program emphasizes education, but for properties that remain non-compliant, it requires:

- Registration with the City,
- Visible signage with owner/manager contact information,
- Monthly inspections and reporting, and
- Ongoing maintenance of building and grounds,

Program Stages (Post 90 days)

Stage	Trigger	Requirements	Timeframe	Fee
1. Education & Outreach	Property identified as non-compliant (no Notice of Default)	Correct violations, meet standards	30 days	None
2. Mandatory Registration	Failure to comply within 30 days or Notice of Default recorded	Submit application, post signage, inspect monthly, file reports	Ongoing until compliance	\$100/year + \$150/month Monitoring
3. Active Maintenance	While property remains vacant or abandoned	Maintain property & grounds, secure structures	Continuous	Included in fee

The annual \$100 registration and \$150/month monitoring fee recovers program costs such as appointment time, inspections, notices, reports to property owner without burdening the General Fund. Relief provisions, hardship waivers, and allowances for owners outside Mendocino County (who must appoint a local agent) ensure fairness and flexibility.

Maintenance Requirements

Exterior:

- Landscaping maintained, weeds removed, sidewalks clean.
- Trash/debris removed promptly; graffiti abated.
- Structural integrity preserved (paint, roof, gutters, windows, stairs, etc.)
- Property secured from trespassers.

Interior:

- Secure from unauthorized entry and weather damage.
- Garbage removed; pests controlled.
- Smoke and carbon monoxide detectors installed.
- Compliant with all City and building codes.

Signage:

1. “No Trespassing” Sign — Must meet City standards and comply with California Penal Code § 602 for enforcement purposes.
2. Contact Information — Must list the property owner’s or authorized local agent’s name and a phone number or email address for inquiries or reporting issues.

3. Property Status Signage — Must clearly state the property’s status, such as:
 - “UNDER MAINTENANCE — NOT AVAILABLE FOR SALE, LEASE, OR RENT,” or
 - “AVAILABLE — FOR SALE/LEASE/RENT” (if the property is actively being marketed).
4. Prohibited — No signage may misrepresent the property’s availability or status. Property owners are not required to advertise availability unless they are actively marketing the property.

Owners Outside Mendocino County

- Must hire a local agent/service provider for inspections, maintenance, and reporting,
- Contract evidence must be submitted to the City,
- Owner/agent must be available 24/7 and respond within 2 hours to complaints, and
- Owner remains responsible for compliance.

Relief from Requirements

Owners may request relief if:

- Property is in full compliance as of the ordinance’s effective date,
- Violations are corrected within the compliance period,
- No violations for 12 months **or** at least 75% of the property is occupied for 6 months, and
- Monitoring fee may be waived for active permits or code-compliant, marketed properties.

Mixed-Occupancy Properties

For mixed-occupancy properties that have vacant storefronts with occupied residential units above, the CVBL Program applies only to the commercial portion of the building. Residential units are exempt from the program. If they are also vacant and abandoned, they would be addressed under separate regulations.

Maintenance requirements for storefronts include:

- Keep display windows clean, unbroken, and graffiti-free,
- Maintain lighting and signage,
- Clean sidewalks, entryways, and landscaping, and
- No blocked or papered windows unless part of an approved temporary activation.

Temporary activation options—such as art displays, pop-up shops, or community boards—are encouraged to keep spaces active while awaiting a permanent tenant.

How Fort Bragg’s Proposed Registry Compares to Other Cities

Fort Bragg’s proposed program requires mandatory registration for all commercial buildings and lots vacant for 90 days or more, regardless of maintenance condition. Owners must submit registration information, pay annual fees, and comply with maintenance and security standards until the property is re-occupied or actively in use. This ensures consistent oversight of all vacant properties while still allowing hardship waivers in limited circumstances.

City	Mandatory Registration?	Vacancy Threshold	Registration Fee	Key Notes
Willits	Yes	90 days	\$100 first year; \$200 second year; \$1,000 third year; \$2,000 fourth and beyond	Fees increase with each year of continued vacancy.
Ukiah	Yes	Broad (abandoned or distressed)	Fee set annually by Council resolution—not specified publicly	Applies to most vacant or abandoned properties.
Clearlake	Yes	30 days + register within 10 days	Initial: \$100 plus \$12.50 per month until renewal; Renewal: \$250 + \$200/month monitoring	Includes monthly inspections and signage requirements.
Fort Bragg	Yes	90 days	\$100 annual registration + \$150 per month monitoring until active use (proposed)- Set by resolution	Includes monthly inspections and signage requirements.

Summary:

- **Vacant Commercial Buildings:** The owner of a vacant commercial building subject to registration under this Chapter shall pay an annual registration \$100 and monitoring fee of \$150/month per building.
- **Vacant Commercial Lots:** The owner of a vacant commercial lot subject to registration under this Chapter shall pay an annual registration \$and monitoring fee of \$80 per lot.

1 (B) Inactive Storefront Standards- Central Business District

In addition to addressing fully vacant spaces, the CVBL Program includes a proactive approach for “inactive storefronts” — ground-floor commercial spaces in the Central Business District that appear open but are not accessible to the public for extended

periods. These can mislead visitors, reduce downtown vibrancy, and negatively impact surrounding businesses.

Owners or operators anticipating closures beyond 30 consecutive days must submit a Temporary Closure Plan to the City, outlining the closure reason, anticipated reopening date, and contact details. During the closure, the storefront must remain clean, well-lit, and free of graffiti, with visible signage providing closure and reopening information.

The City encourages temporary activation during inactivity — such as pop-up shops, art installations, student projects, or nonprofit programming — to maintain visual appeal and draw visitors.

If a storefront remains inactive for more than six months without an approved plan or activation, it will be classified as vacant under the CVBL Program, triggering registration, maintenance, and monitoring requirements. This approach increases transparency, supports business recruitment, and maintains public trust in downtown as an active commercial district.

2. Storefront Activation Incentive Program

Through the Economic Development Fascade Improvement Grant, Incentive Matching Funds could offer financial assistance to tenants or landlords to encourage reactivation of space. Options could include:

- Tenant Improvement Grants,
- Short-Term Lease Subsidies for Pop-Ups, or
- Façade or Signage Improvement Grants.

Funding Sources: Business Boost Fund, ARPA, or Clean California Grants.

Issues and Implementation.

- The use of City funds would trigger prevailing wage for the entire property owner initiated improvement project, regardless of how much the City contributes. Prevailing wage is required for pre-construction, construction and even post construction clean up and includes even tenant improvements. Therefore a City grant program should be limited to small amounts that address minor issues, otherwise prevailing wage law would significantly increase project cost and complexity (need to prepare plans and specs and competitively bid the project).
- Signage prepared off site would be exempt from prevailing wage. Painting is subject to prevailing wage.
- The City would need to establish grant criteria and set up a program for any granting of public funds to ensure that the program is not considered a gift of public funds, which are prohibited by the State Constitution. Redevelopment projects are not considered a gift of public funds, however it's unclear if the above described

activities would be considered a redevelopment purpose. This will need to be vetted through the City Attorney's office.

- Lease subsidies that fund any physical improvements as part of a Pop-Up would be subject to prevailing wage. Lease subsidies would likely also be considered a gift of public funds unless there was an obvious "public purpose" for the lease subsidy, such as the lease subsidy was for a non-profit or public agency use of a facility. This will need to be vetted through the City Attorney's office.

3. Vacancy Tax (Long-Term Policy Tool)

Survey results show that 68% of respondents support pursuing a voter-approved parcel tax—commonly referred to as a "vacancy tax"—on commercial properties that remain vacant beyond a defined period (e.g., six months). This tax would create a financial incentive for property owners to lease or activate their properties, while generating dedicated revenue for community priorities such as:

- Downtown marketing campaigns to draw more visitors and customers,
- Small business recruitment and support programs to fill vacant spaces faster, and
- Enhanced code enforcement to address blight and nuisance conditions.

As a tax, a vacancy tax would be put to the will of the voters as a local ballot proposition. Tax measures require a two-thirds majority vote. Indeed, several other California cities have already adopted voter-approved vacancy taxes, with positive results:

- **San Francisco** passed Proposition D (2020), a storefront vacancy tax targeting ground-floor commercial spaces vacant for more than 182 days in a year. The tax rates increase over time to encourage quicker leasing, and the revenue supports small business assistance and neighborhood revitalization.
- **Oakland** adopted Measure W (2018), applying an annual tax on vacant residential, commercial, and undeveloped properties. Funds are allocated to homeless services, illegal dumping abatement, and small business support.
- **Berkeley** approved a similar measure in 2018, using revenue to address housing shortages and support community-serving businesses.

Key lessons from these cities include:

- Clear definitions and exemptions ensure fairness (e.g., exempting properties undergoing active renovation, listed for lease at market rates, or facing proven hardship).
- Graduated tax rates motivate faster activation without being overly punitive.
- Strong outreach before adoption builds public understanding and support.
- Dedicated revenue use increases voter confidence, knowing the funds will directly benefit downtown vitality and small business growth.

If pursued, a vacancy tax for Fort Bragg could be structured to:

- Apply only to commercial properties in the Central Business District or other key commercial zones (such as along Main Street).
- Include a grace period for new vacancies and exemptions for good-faith leasing efforts.
- Dedicate revenue to targeted programs per City Council direction, such as programs that strengthen the downtown economy, beautify business districts, and reduce blight or other related City priorities. It will be important to pair the use of the tax revenues to something that a majority of City residents care about because this initiative would require a 2/3 vote by City residents.

By pairing a vacancy tax with the Vacant Buildings And Lot Commercial Registry Program, the City could address both immediate maintenance needs and longer-term vacancy reduction, creating a healthier, more vibrant commercial environment.

4. Enforce Existing Blight and Aesthetic Standards for All Commercial Buildings

Actively enforce the City's Nuisance Ordinance to ensure all vacant storefronts meet the following minimum maintenance standards (See Muni Code 6.12V):

1. Windows must be kept clean, unobstructed by stored items or temporary coverings, and in a move-in ready condition equivalent to and consistent with occupied buildings in close proximity, except that temporary coverings are allowed during the period of time that an active building permit has been issued and tenant improvements are actually under construction;
2. Local contact information for the property owner or property manager must be posted and clearly displayed on the front door;
3. The interior and exterior of the structure must be maintained clear of trash, debris and stored items, except for those commercial fixtures directly associated with a prior or proposed legal use of the building;
4. The exterior surfaces and paint, millwork and trim shall be kept clean and maintained in good condition equivalent to and consistent with occupied buildings in close proximity, to achieve a uniform appearance with the surrounding area and present a move-in ready condition for future tenants or business operators; and
5. All nuisance conditions listed in this section are applicable to vacant buildings and in cases of immediate danger to health and safety or emergency may be caused to be abated prior to the 90-day period first stated above.

In addition the Nuisance Code for vacant buildings could be amended to include the following:

6. All exterior lighting shall be kept in working order and maintained.
7. No building Fascades or windows may be papered or boarded up, unless approved by the City as part of a current building permit or via a business license to set up a new business.

Enforcement: implementation will require the Code Enforcement and Building Inspector coordination.

5. Temporary Use Authorization & Flexibility

Encouraging interim uses for vacant spaces not only keeps downtown active but also offers low-risk opportunities for entrepreneurs, artists, and community organizations to contribute to the local economy. This approach transforms potential eyesores into assets while property owners search for long-term tenants.

Examples of Temporary Activation Uses

- Art installations or student projects – rotating exhibits in vacant storefronts that showcase local talent, improve street appeal, and deter vandalism.
- Pop-up events or retail – short-term leases for seasonal businesses, specialty markets, or product launches.
- Nonprofit incubators – temporary space for local nonprofits to provide services or host workshops.
- Rotating vendor marketplaces – indoor micro-retail spaces for multiple vendors sharing a location.
- Community information centers – providing updates on City projects, local events, and small business resources.
- Short-term cultural uses – such as live performances, reading rooms, or art workshops in unused commercial spaces.

Temporary uses for vacant spaces offer multiple benefits: they maintain vibrancy by keeping sidewalks active and storefronts visually appealing, which in turn supports neighboring businesses; they serve as an economic testing ground for entrepreneurs to trial concepts before committing to a long-term lease; they deter crime by reducing opportunities for vandalism, squatting, and illegal dumping; and they act as a marketing tool for vacant properties by showcasing their potential to prospective long-term tenants.

How Other Cities Have Done It

- Portland, OR & Fort Bragg, CA: Partnered with local arts organizations to fill empty windows with rotating exhibits, reducing graffiti and boosting foot traffic.
- San Diego, CA: Created a "Storefront Improvement Program" that provided grants for temporary façade upgrades alongside pop-up retail activations.
- Vancouver, BC: Piloted "Activate Vacant Space" initiatives with art and cultural programming, significantly reducing vacancy blight in target neighborhoods.

Implementation Considerations for Fort Bragg

- Establish a streamlined, low-fee permit process for temporary uses, consider modifying the Limited Term Permit program to allow longer term temporary uses (e.g., 90–180 days) for retail storefront activation in the downtown.
- Provide small activation grants or matching funds for basic improvements like the Fascade Improvement Grant (lighting, display setup).
- Create a City-managed activation roster of artists, nonprofits, and small business applicants that could be interested in occupying space when vacancies arise.

By making it easier and more attractive to temporarily activate vacant properties, the City can ensure that no storefront sits idle without contributing to downtown’s energy and appeal.

NEXT STEPS

If directed by the Committee, staff will:

- Finalize Ordinance – Finalize Draft Commercial Vacancy Registry Ordinance subject to City Attorney review for City Council review and consideration.
- Pilot Program Development – Refine program options and assess fiscal impacts for a pilot Storefront Activation Program aimed at revitalizing underutilized commercial spaces.
- Vacancy Tax Feasibility – Research and report back on the legal authority, best practices, and logistical considerations for implementing a commercial vacancy tax as a potential Phase 2 policy tool.

CONSISTENCY

This proposed program directly supports multiple adopted City priorities, including:

- 2025–2028 Strategic Plan – Economic Development Goal: Revitalize the Central Business District by reducing vacancies and encouraging active use of commercial spaces.
- City Council Goal – Downtown Vitality: Improve the pedestrian experience, strengthen the business climate, and attract investment by addressing visible vacancies.
- Public Safety and Quality of Life Initiatives: Reduce vandalism, illegal dumping, and nuisance activity in vacant properties, thereby improving neighborhood appearance and safety.

GENERAL PLAN

LAND USE ELEMENT

Goal LU-3 Ensure that the Central Business District remains the historic, civic, cultural, and commercial core of the community.

Policy LU-3.1 Central Business District: Retain and enhance the small-scale, pedestrian-friendly, and historic character of the Central Business District (CBD).

Goal LU-4 Promote the economic vitality of the City's existing commercial areas.

COMMUNITY DESIGN ELEMENT

Policy CD-1.4 Property Maintenance and Nuisances: Ensure that properties are well maintained and nuisances are abated.

Program CD-1.4.1: Continue to implement and enforce the City's nuisance abatement ordinance, and update it, as necessary, to ensure that property values are maintained throughout the City.

Program CD-1.4.2: Provide Code enforcement for immediate health and safety violations in conjunction with the building inspection process.

Goal CD-2 Preserve the Central Business District as the commercial, civic, historic, and cultural center of the community.

Policy CD-2.2 Pedestrian Activity: Encourage increased pedestrian movement and activity in the Central Business District.

Policy CD-2.3 Economic Vitality: Continue to support the economic diversity and vitality of downtown businesses.

Policy CD-2.5 Strengthen the Distinctive Identity of the Central Business District: Strengthen the distinctive identity and unique sense of place of the Central Business District.

By focusing on commercial zones, this ordinance targets the most visible and economically critical areas of Fort Bragg, ensuring a cleaner, safer, and more vibrant downtown for residents, visitors, and investors.

FISCAL IMPACT

The annual registration \$100 and the monthly monitoring fee of \$150 are designed to recover the City's direct costs associated with inspection, enforcement, and administration of the Vacant Building & Lot Commercial (CVBL) Program. No General Fund subsidy is anticipated for the ongoing operation of the program.

In addition to ongoing costs, implementation will require initial staff time from the City Manager's Office, Community Development, and Economic Development Department to establish program procedures, conduct outreach, and coordinate enforcement. Estimated one-time staff time for the first year includes:

- Program Setup & Ordinance Implementation – ~20-30 hours (City Manager's Office, Community Development) for ordinance finalization, public outreach, staff training, and initial property inventory.
- Storefront Activation Program Development – ~20–30 hours (Economic Development) for program design, stakeholder engagement, and fiscal impact analysis.
- Vacancy Tax Feasibility Study – ~25–35 hours (City Manager's Office & Economic Development) for legal review, comparative research, and implementation strategy development.

These time estimates are based on current staffing levels and will be absorbed within existing department workloads excluding City Attorney time.

IMPLEMENTATION/TIMEFRAMES:

Vacant Registry Commercial Program

Milestone	Target Date	Action
Ordinance Adoption	August 25, 2025	City Council considers and adopts the ordinance.
Ordinance Effective Date	September 24, 2025	Ordinance takes effect 30 days after adoption.
Program Materials Finalized	By September 26, 2025	Finalize application packets, inspection forms, and program guidelines.
Staff Training	By October 20 , 2025	Train Community Development staff on program requirements, forms, and tracking procedures.
Public Outreach Launch	October 6 2025	Announce program via press release, City website, social media, and direct mail to commercial property owners.
Initial Compliance Inspections	October–November 2025	Begin inspections to identify non-compliant properties in commercial zones.
Notices of Violation Issued	As inspections identify non-compliance	Provide a 30-day compliance period to correct violations before the registration requirement applies.
First Mandatory Registrations	December 2025–January 2026	Registration begins for properties not brought into compliance or with recorded Notices of Default.

Milestone	Target Date	Action
Ongoing Program Monitoring	January 2026 and ongoing	Monthly reporting and inspections per program requirements.

This phased approach allows adequate time for public education, voluntary compliance, and staff readiness before the enforcement and registration components of the program take effect.

COMMUNITY ENGAGEMENT

In July and August 2025, the City conducted a public survey (attached) to gather input on how best to address vacant commercial properties. Of the 55 respondents, 88% supported the City taking action—such as creating a registry program, implementing a vacancy tax, and offering incentives to property owners. Respondents identified their top priorities as improving aesthetics, strengthening enforcement, and encouraging temporary activation of vacant spaces.

ATTACHMENTS

- Draft Ordinance No. 2025-XX
- Sample VBL Program Application Packet
- Survey
- FAQ's
- Zoning Map

NOTIFY ME

Downtown Merchant Group

Economic Development

Community Development