

RESOLUTION No. xx 2025

RESOLUTION OF THE FORT BRAGG CITY COUNCIL DIRECTING STAFF TO INITIATE PHASE 2 OF THE MILL SITE MASTER DEVELOPMENT AGREEMENT PLANNING PROGRAM

WHEREAS, the City of Fort Bragg has over the past 20 years pursued coastal access and recreational improvements, remediation of hazardous materials, and a range of new urban uses including visitor-serving commercial, recreational, and lodging uses; new housing meeting the needs of residents, expansion and revitalization of the downtown area, and job-creating industrial and service businesses; and

WHEREAS, in November of 2024, the City of Fort Bragg initiated the first phase of a new planning and development program titled the Master Development Agreement Program to resolve existing legal disputes and to collaboratively plan for the development of the Mill Site; and

WHEREAS, the City participated in a cooperative planning effort with Mendocino Rail (MR) and its design and planning consultants that included extensive reference to earlier Mill Site planning efforts for the Mill Site conducted by the City; and

WHEREAS, the City Council, a Council Ad Hoc Committee, and the public at large have participated, reviewed, and helped shape the Illustrative Plan and related recommendations; and

WHEREAS, over the past six months, the City of Fort Bragg, assisted by a consulting team and in cooperation with MR, has prepared a *Development Strategy Report*, which outlines a decision-making process for future planning and entitlements related to the reuse of the Mill Site property in Fort Bragg; and

WHEREAS, the *Development Strategy Report* includes an 'Illustrative Plan', a graphic representation of the Mill Site showing a conceptual plan for its revitalization and redevelopment, which include extensive open space, improvements to the Coastal Trail and related coastal access, and areas designated for residential, commercial, institutional, and industrial (job-generating) development.

WHEREAS, a *Development Strategy Report* has been prepared and circulated that documents the Phase 1 planning process and provides guidance for subsequent phases of the Master Development Agreement Program.

WHEREAS, acceptance of the Development Strategy Report is exempt from CEQA pursuant to 14 CCR 15262 "Feasibility and Planning Studies. The Report provides a non-binding guideline for the parties to continue their discussions to resolve their dispute and acceptance of the report does not commit the City or Mendocino Railroad to any development of the property. Appropriate environmental studies will be completed when the binding Development Agreement is presented to the Council at a future public hearing. In addition, this project is exempt pursuant to 15061(b)(3) which provides that "CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."

NOW, THEREFORE, BE IT FOUND, DETERMINED, AND RESOLVED THAT:

1. The Recitals set forth above are true and correct and incorporated herein as findings and determinations.
2. The City Council accepts the *Development Strategy Report* as a reference and guide for subsequent phases of planning for the reuse of the Mill Site.
3. The City Council directs staff to initiate Phase 2 of the Master Development Agreement Program that involves negotiation of a non-binding Memorandum of Understanding (MOU) with the property owner, Mendocino Railway, as specified in the *Development Strategy Report*.
4. Preparation of the MOU will provide additional data, analysis, coordination and collaboration with the California Coastal Commission and other affected agencies and organizations, including tribal interests.
5. The MOU will address a series of topics that ideally can be resolved prior to initiation of a process to amend the City's Local Coastal Program and enter into a Master Development Agreement. These topics include: settling the pending legal action, further resolving key land use and facility locations, articulating the planning and regulatory procedures to be followed, further documenting needed infrastructure improvements and how such improvements will be paid for, outlining the topics and terms to be included in the proposed Master Development Agreement, and lastly, identifying any significant real estate transactions needed to support plan implementation.
6. Opportunities for continued public review and participation regarding Mill Site planning and development will be provided at scheduled City Council meetings or at other special meetings as may be appropriate.
7. Every effort will be made to shape the agreements reached in the MOU in a manner that contributes to the resolution of the pending legal action.

The above and foregoing Resolution was introduced by Councilmember _____, seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on June 9, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

JASON GODEKE, Mayor

ATTEST:

**Diana Paoli
City Clerk**

DRAFT