



AGENCY: City Council
MEETING DATE: 1/22/2018
DEPARTMENT: CDD
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AGENDA ITEM SUMMARY

TITLE:

RECEIVE REPORT, CONSIDER PLANNING COMMISSION RECOMMENDATIONS REGARDING MILL SITE REUSE LAND USE PLAN AND SUSTAINABILITY POLICIES AND PROVIDE DIRECTION TO STAFF

ISSUE:

The Georgia Pacific lumber mill closed in 2002. The City of Fort Bragg, the community, and the property owner, Georgia Pacific (GP) engaged in a collaborative process to prepare a Specific Plan for the rezoning and eventual redevelopment of the property for other uses but the planning process stopped in 2012, when GP withdrew its Specific Plan application.

On February 6, 2017, City Council and the Planning Commission held a joint meeting to discuss how to move forward with rezoning and planning for the reuse of the Mill Site. The City Council and the Planning Commission supported a two-step process as follows: (1) process a Local Coastal Program (LCP) amendment to eliminate the requirement that a Specific Plan be prepared to rezone property on the Mill Site (by revising Coastal General Plan Policies LU-7.1 and LU-7.2); and (2) complete a comprehensive community-based planning process to develop a major LCP amendment to rezone the Mill Site. The major LCP Amendment will address: new land use zones, development regulations, infrastructure requirements, sustainability, open space, circulation, design guidelines and more. This LCP Amendment will be formulated over the next year or so in an interactive process between the City Council, Planning Commission, community and City staff.

The City started the rezone process with an all-day open house with three mini workshops at the CV Starr Center on September 16, 2017 with about 60+ participants and an all-day open house with three mini workshops at Town Hall on September 21, 2017 with 80+ participants. Additionally, the City presented a truncated form of the workshop at a Fort Bragg Rotary Club meeting, a Chamber of Commerce mixer and at a Coastal Mendocino Association of Realtors meeting. Approximately 220 people attended the Mill Site Reuse workshops. A workshop report was provided to the City Council and the Planning Commission.

On September 21st, the Mill Site Reuse Community Survey was opened to accept responses from the community. English and Spanish language versions of the survey were available with identical questions. The survey was designed to minimize survey bias by randomizing the multiple choice questions and it was designed to be as inclusive as possible by allowing people to provide open-ended responses to a number of questions. As of October 10, 2017, the survey had 954 responses. A survey report was prepared and provided to City Council and the Planning Commission.

On October 11, 2017 Council and the Commission held a joint meeting and provided direction to staff regarding the vision statement and changes that should be made to the Land Use Plan, and these are discussed and illustrated further below.

On January 10, 2018 the Planning Commission discussed the issues raised in this staff report and their recommendations are included at the end of each issue that is discussed below.

ANALYSIS:

Over the coming year the City Council, Planning Commission and the community will continue to sharpen its understanding of and provide direction to shape and modify the Specific Plan into a major LCP Amendment. Land use regulations can be complicated as they seek to mold private sector development within the constraints of law. This is achieved through three primary tools:

1. Land Use Zoning, which defines the uses that are permitted within a zoning district and the location of that zoning district (as shown on a zoning map);
2. Land Use Policies, which are broadly written used by City staff and the Planning Commission to define and describe development outcomes and conditions (these are located in the General Plan); and
3. Land Use Regulations, which are narrowly written and include strictly applicable requirements for the development of any project (these are located in the Zoning Ordinance).

The Mill Site Reuse LCP Amendment will include changes to all three of these components of the LCP. There is no specific order in which the City should pursue revising these documents for the LCP Amendment, however it is generally helpful to start from the big picture (vision and policy) and narrow our focus (regulations) as we move through this process. Additionally it is sometimes hard to understand the big picture without getting into the details, thus the City Council should feel comfortable bringing up any issue or question at any time and staff will figure out how to include it in the LCP Amendment and the planning process. (A running list of all outstanding (or stray) City Council and Planning Commission recommendations is provided in Attachment 1. Please feel free to make recommendations for items to be added to the list.) Also it can be helpful to address key issues of concern first before moving on to the mundane. Based on community comments at workshops and in the survey, four key issues came to the forefront: namely the amount of development, the design of development, the level of sustainability/open space and the need for jobs and housing. We will start our exploration of some of these issues with this staff report.

The purpose of this City Council agenda item is to:

1. Affirm and/or further modify the Vision Statement for the reuse of the site.
2. Provide feedback and direction regarding the remaining Mill Site Reuse Guiding Principles:
3. Provide feedback about modifications made to the Land Use Plan based on City Council and Planning Commission direction; and
4. Provide general direction regarding sustainability policies, e.g. which Specific Plan policies should be modified and rolled forward into the LCP Amendment.

1. Vision

As of October 10, 2017, the City Council, Planning Commission and the community was supportive of the following comprehensive vision statement for reuse of the Mill Site:

*Over the next 20 years, reuse of the Mill Site should help support Fort Bragg as a working town with a diversified economy and good jobs, and a **healthy**, sustainable community with open space and parks. New development on the Mill Site should enhance Fort Bragg's role as an economic and cultural center for the Mendocino Coast.*

At the October 10th joint meeting the Council and Commission directed staff to insert the word "healthy" before "sustainable" and staff has done so.

On January 10, 2018 the Planning Commission made the following additions to the vision statement:

Over the next 20 years, reuse of the Mill Site should ~~help support~~ complement Fort Bragg as a working town with a diversified economy and good jobs, and a healthy, sustainable community with open space and parks for residents and visitors alike. New development on the Mill Site should enhance Fort Bragg’s role as an economic and cultural center for the Mendocino Coast.

The Planning Commission recommends that the Mill Site’s role as a visitor serving destination be explicitly included in the Vision Statement.

Does the City Council concur with this change?

Would the City Council like to suggest any further revisions to the comprehensive vision statement for the reuse of the Mill Site?

2. Guiding Principles

The following Mill Site Guiding Principles were developed for the reuse of the Mill Site Specific Plan. On February 6th 2017, the City Council and the Planning Commission discussed the guiding principles and provided the following feedback.

Guiding Principle	Council & Commission Feedback
1. <i>Extend the City street grid onto the site</i>	concur
2. <i>Retain public view corridors to the ocean</i>	concur
3. <i>Create new job opportunities on the Mill Site</i>	concur
4. <i>Establish a coastal park with a multi-use trail and other park amenities</i>	completed
5. <i>Extend the downtown commercial district onto the Mill Site</i>	needs further discussion
6. <i>Establish zoning for residential uses in the Northern District; zoning to extend the Central Business District, visitor serving uses, and compact mixed use residential development in the Central District; and zoning for job-generating uses such as light industrial, education, and office space in the Southern District</i>	needs further discussion
7. <i>Establish an “Urban Reserve” to preserve an area of the site so that future residents/City Council can shape redevelopment of a portion of the site</i>	concur
8. <i>Implement sustainable practices in conjunction with future development on the Mill Site, such as low impact development, green building, storm water catchment, etc.</i>	concur
9. <i>Incorporate “smart growth” practices such as compact design, mixed-use development, and higher density residential development adjacent to the City’s central business district</i>	concur
10. <i>Incorporate high quality design criteria for all development on the Mill Site</i>	concur
11. <i>Allow for daylighting of culverted Maple Creek</i>	concur

On January 10, 2018, the Planning Commission discussed both outstanding principles. After extensive discussion, the Planning Commission recommends that Principle 5 be retained as written. The Planning Commission discussed the following pros and cons of an extension of the Central Business District onto the Mill Site as noted in the table below.

Pros of extending the CBD onto the Mill Site	Cons of a CBD Extension
Provide opportunities for restaurants and bars with ocean views, which would be nice for residents and guests.	Further exacerbate the high vacancy rates in the downtown by attracting businesses away from the core.
Provide an opportunity to develop mixed-use projects with shopping and retail below and residential uses above.	Dilute the strength of the downtown core by creating a competing commercial district.
The Mill Site would be a great place for downtown businesses to build their own spaces and the Mill Site provides a better retail and restaurant destination than the downtown, so it could allow our businesses to be more successful than they are in downtown.	Result in urban decay and the need for code enforcement in the downtown core.

The Planning Commission felt strongly that the reasons to extend the Central Business District onto the Mill Site out-weighed the concerns of doing so. Additionally the Planning Commission considered limiting retail development and only encouraging the development of restaurants and visitor serving businesses but subsequently discarded this approach. The Planning Commission therefore recommended that commercial development be permitted on the bottom floor of all buildings along the entire length of the Redwood Ave extension onto the Mill Site. They recommend that this change be made to the Land Use Plan (see Land Use Plan 1B as illustrated in Attachment 3)

The Planning Commission also considered various approaches to revising Principle 6 and recommends that the City Council add the words noted in red below to Principle 6 so that it more accurately reflects the future uses that are illustrated in the Land Use plan:

Principle 6: Establish zoning for residential uses in the Northern District; zoning *for the extension of* the Central Business District, visitor serving uses and compact mixed-use residential development in the Central District; and zoning for job-generating uses such as light industrial, education, *retail, research and development and* office space in the Southern District.

It would be helpful if the City Council could discuss Principles 5 and 6 and provide guidance to staff regarding any further modifications.

3. Land Use Plan

On October 16, 2017, the City Council and Planning Commission reviewed and discussed three potential Land Use Plan Alternatives and selected Land Use Plan Alternative 1 as the general direction for the rezoning of the Mill Site (Attachment 2). Alternative 1 would provide for up to 1/3 (33%) of the 2012 Land Use Plan. This plan would allow the least amount of development of the three alternatives and leave 125 acres for a future planning effort. This alternative would allow, upon buildout, an estimated 200+ new residential units, an estimated 1,000+ new jobs and allow roughly 240,000 square feet of industrial, office, high-tech hotels and commercial businesses.

The Land Use Plan (Alternative 1) was developed to implement the Guiding Principles (above) and respond to various concerns from the community (below), including:

- a. Allow for daylighting of culverted Alder Creek;
- b. Connect the riparian area to the Mill Pond area with a swath of open space through the area of Ponds 1 through 4;
- c. Reduce the overall amount of development;
- d. Focus development on the eastern side of the property to promote orderly development;
- e. Consider compatibility of adjacent uses between uses on and adjacent to the Mill Site;
- f. Minimize the creation of new infrastructure by utilizing existing Mill Site streets where feasible, eliminating single loaded roads, unloaded roads (such as the Coastal Road), and focusing new zoning as close as possible to existing water and sewer lines; and
- g. Retain the basic mix of land uses in the 2012 Land Use Plan in order to facilitate the creation of a smart growth land use plan with a mix of housing types, commercial and industrial land uses.

At the October 16, 2017 joint City Council & Planning Commission workshop staff was directed to make the following additional revisions to the Alternative 1 Land Use Plan:

1. Revise the zoning for the Noyo Center from "Open Space" to "Coastal Dependent" zoning.
2. Add a small neighborhood park with playing field, combined with a public fairgrounds.
3. Bring back the idea for a downtown square.
4. Do not extend the Central Business District onto the site.
5. Keep some of site available for a lumber mill, consider leaving a portion of the site with timber industrial zoning instead of urban reserve zoning.
6. Zone for a mix of small homes, cohousing, multi-family and mixed-use housing.

Staff has made an initial pass at implementing this direction (see Attachment 3 - Land Use Plan Alternative 1A).

The Planning Commission reviewed Alternative 1A and made the following additional changes to the plan, which are illustrated in Alternative 1B (see Attachment 4).

1. Extend the CBD along the entire length of Redwood Ave.
2. Provide for CBD around the downtown park.
3. Extend the multi-family residential to the west to compensate for the multifamily residential that was replaced by the extension of the CBD.
4. Add a neighborhood park back into the plan in the northern district.

The Planning Commission also discussed at length whether to convert the Highway Commercial that is north of Walnut Street into open space. Commissioners noted that: the Land Use Plan already designates a significant amount of open space (175+ acres); and that the maintenance of open space is costly and burdens the City's General Fund. A majority of the Commission wanted to allow limited development in this area, so long as the trees are retained. This might encourage a private sector person to acquire this parcel and maintain the trails and the forest for public use, rather than the City taking on additional open space responsibilities. Staff noted that the Coastal General Plan currently includes Policy CD-1.2 which requires preservation of the visual qualities of this area:

Policy CD-1.2: The large trees fronting the west side of Highway One between the North Cliff Hotel and Cypress Street shall be retained as far as feasible; trees may be removed if they are dead or damaged or pose a public safety hazard, or to provide driveways or new public streets. The forested area north of the Georgia-Pacific nursery

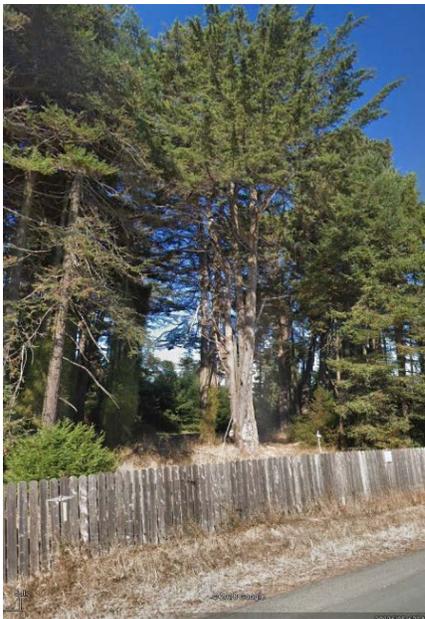
and south of Maple Street shall be maintained as a sensitive natural habitat and scenic resource, and it shall not be developed.

Additionally, staff noted that any use of this site would require a Coastal Development Permit which would determine if any of the forest qualifies as rare, in which case no development would be permitted within 50 feet of the rare forest.

Council could consider any of the following options for this area:

1. Designate the area as Open Space, and thereby increase the amount of open space on the site; or
2. Retain the Highway Commercial zoning and retain Policy CD-1.2 to limit the development envelope of the parcel to the area without trees (outlined below in blue); or
3. Retain the Highway Commercial zoning and eliminate Policy CD-1.2 to allow development of the portions of the area that do not have rare plants or trees; or
4. Zone the portion of the area that is not forested (outlined in blue below) as Highway Commercial and allow Highway Commercial development within the portion that is not forested.

Staff recommends Option 2.



Trees along Highway 1



Aerial photo of proposed location of visitor serving zoning.

It would be helpful for the City Council to discuss the changes to the Land Use Plan and provide any additional feedback, input, changes and/or corrections to staff for incorporation into a revised Land Use Plan.

4. Sustainability Policies and Regulations

Based on input from the workshops, survey and a meeting with Coastal Commission staff, the Specific Plan policies and regulations for Sustainability (Attachment 5) have been revised.

On January 10, 2018, the Planning Commission was encouraged to consider the following as they reviewed the proposed sustainability policy language:

1. Consider the trade-off between sustainability and locally generated projects. If the City requires that all new development achieve the very best and the cutting edge in sustainability it will increase construction costs, which may result in fewer locally generated projects, which will tend to be less well financed than “out of town” projects.
2. Consider if the City should be the leader in the State in terms of requiring sustainable practices or if we should follow the State of California’s efforts. California is already a world leader in sustainable development through its CalGreen Building Code. The City does not currently have the resources to mandate tougher requirements than CalGreen. If the Commission and Council feel that the City should be ahead of the State of California when it comes to green building, which sustainable practices should we lead on: energy efficiency, environmentally friendly building materials, stormwater management, on-site energy production, dense development and/or habitat restoration? What are the sustainability priorities for Fort Bragg?
3. Most of the policies in the Sustainability Chapter utilize the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED). This standard was very cutting edge in 2012. However the California Building Code (CalGreen) has now reached parity with this standard. Strict compliance with LEED may no longer be necessary to achieve sustainability goals. A CalGreen building achieves 56 LEED points qualifying it for a Silver Certification from USGBC.
4. What is missing from the policies from a sustainability perspective? What sustainability policies should we consider now, that we might not have been thinking about in 2012?

On January 10, 2018, the Planning Commission made the following recommendations regarding the sustainability policies (specific recommendations of the Planning Commission are illustrated in blue italics in Attachment 4):

1. The City should not be out in front of the State of California when it comes to Green Building. The State of California is already a leader in the nation and the City does not have the technical expertise to require higher levels of sustainability in green building as it relies on the County Building Department in this area.
2. The Planning Commission recommends that the goal of Net Zero energy use (Policy SD-2) be incentivized with planning incentives rather than be required.
3. The Planning Commission concurred with staff recommendations regarding language changes to the sustainability policy section of the proposed Mill Site Reuse Plan.
4. The Planning Commission further recommended that all policies be general in their requirements so that they don’t become outdated by new technologies, etc.

It would be helpful for the City Council to discuss the sustainability policies and provide additional feedback, input, changes and/or corrections so that staff can further modify the sustainability policies.

RECOMMENDED ACTIONS:

Provide direction to staff regarding the following:

- a. Affirm and/or further modify the Vision Statement for the reuse of the site.
- b. Provide feedback and direction regarding the remaining Mill Site Reuse guiding principles;
- c. Provide further feedback regarding the revisions to Land Use Plan Alternative 1A; and

- d. Provide general direction regarding sustainability policies, e.g. which Specific Plan policies should be modified and rolled forward into the LCP Amendment.

ALTERNATIVE ACTION(S):

None.

FISCAL IMPACT:

The City was awarded a Community Development Block Grant (CDBG) in the amount of \$50,000 to start this process. Additionally, the Coastal Commission awarded an additional \$110,000 grant for this LCP amendment. Additional funds may be needed given the extensive list of studies that the Coastal Commission has requested. As City Council and the Planning Commission further refine a final Land Use Plan, staff will prepare a preliminary fiscal analysis to identify if the overall Mill Site Reuse will have a net positive fiscal impact on Fort Bragg. This will be an interactive process.

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:

January 2018 – June 2018

1. Prepare and refine the preferred Land Use Plan to rezoning of the Mill Site.
2. Revise the 2012 Specific Plan policies and regulations for inclusion in the LCP amendment application.

May 2018 – August 2018

3. Define the development regulations (height limits, parking requirements, floor area ratios, lot coverage, open space requirements and setbacks) for each zoning district and determine the "maximum buildout" scenario for the proposed Land Use Plan based on these decisions.
4. Prepare a Buildout Analysis Report.
5. 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.
6. Prepare the Fiscal Impact Report.

July 2018 – January 2019

7. 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. Analysis of the City's capacity to serve future development, including: water, sewer, police, fire, emergency medical, schools, dry utilities, public transit, etc.;
 - b. Summary of current lower cost visitor serving facilities, including: room inventory, revenue per available room, occupancy rates, etc.;

- c. 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;
- d. Impact of sea level rise/bluff vulnerability on future development under the proposed Land Use Plan;
- e. Impact of the Mill Site buildout on climate change;
- f. Tsunami study;
- g. Botanical and wetland study update for preferred Land Use Plan for non-paved areas of the site; and
- 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.

January 2018 – January 2019

- 8. 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.

January 2019 – April 2019

- 9. 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. Running List of Recommendations
- 2. Land Use Plan Alternative 1
- 3. Land Use Plan Alternative 1A
- 4. Land Use Plan Alternative 1B
- 5. MSSP - Sustainability Chapter 4

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. Sherwood Valley Band of Pomo Tribal Chairman Mike Knight & THPO Misty Meadlin
- 8. Coastal Commission staff, Cristin Kenyon & Bob Merrill
- 9. CA Dept. of Fish and Wildlife staff, Angela Liebenberg