

3. MEMORANDUM OF UNDERSTANDING TOPICS & COMMUNITY INPUT

OVERVIEW

- MOU is a non-binding agreement between two or more parties that establishes policy objectives, business terms, roles and responsibilities, and procedures for a subsequent agreement or program.
- The Mill Site MOU contains the key factors involved in the preparation, review, and adoption of the planning & permitting needed to proceed with redevelopment of the Mill Site
- The MOU approach assures, prior to initiating the costly and time-consuming formal planning process, that the proposed plan (*Illustrative Plan*) can be meet City policy objectives, address constraints, and attract the necessary private investment.
- On June 9th the City Council by Resolution initiated moving forward with the MOU.
- It is intended that the MOU process will also provide the basis of a settlement of the pending lawsuit

MOU TOPIC #1: KEY COMPONENTS OF LAND USE PLANNING CONTEXT

Land Use Sub-Topics: (tonight's topics)

1. Establishing an Optimal Approach to the Entitlement Documents (Local Coastal Plan Amendment, EIR, Financing Plan, and Development Agreement)
2. Illustrative Plan Update
3. Conformance with Coastal Act Priorities and City's Local Coastal Plan
4. Rail-Related Land Use Regulations

MOU TOPIC #2: KEY FACTORS INFLUENCING LAND USE & DEVELOPMENT

Exploration of the key factors influencing Mill Site land use

1. Precedent Images and Concept Studies to Define Planning and Design Opportunities and Intent
2. Further Resolving Site-Specific Development Constraints
3. Continued Cooperation with Other Regulating Agencies (e.g., DTSC, tribal interests, and RWQCB)
4. Linking the Pace and Scale of 'Development Readiness' to Realistic Market Demand-Driven Development Opportunities
5. Creating Public Benefits and Market Value by Responding to Market Opportunities

MOU TOPIC #3 DOCUMENTING MILL SITE
INFRASTRUCTURE REQUIREMENTS AND
FINANCING STRATEGY

1. A Preliminary Site Improvement Program
2. A listing and evaluation of potential funding sources and related financing strategies
3. Framework for an Agreement Regarding Private and Public Funding Mechanisms
4. A Financial Feasibility Study

MOU TOPIC #4: IDENTIFYING SPECIAL REAL ESTATE LAND TRANSACTIONS

1. These land transactions (sales, purchases, exchanges) are above and beyond the normal subdivision-related dedications of rights-of-way
2. These transactions would be completed to:
 - Adjust parcel boundaries to land use designations
 - Provide for additional open space and parkland
 - Implement the best solution for meeting hazardous materials remediation
 - Provide for mitigation of for various constraints
 - Establish ownership of lands for Pomo Culture legacy

MOU TOPIC #5: ARTICULATING THE FUNCTIONS AND TERMS OF THE MASTER DEVELOPMENT AGREEMENT

- The Master Development Agreement is the overarching agreement between the City and the developer(s) that secures public benefits through 'vesting' of development rights (consistent with the Plan) and offering public financing mechanisms
- The Development Agreement underpins but does not overrule adopted plans, policies, and regulations
- The Development Agreement will establish financial obligations of the developer and create remedies for failure to meet terms of the Agreement.
- The Development Agreement is a durable document that 'runs with the land' (is a feature of title) adopted following completion of the Plan (LCP) and environmental review

MOU PROCESS & SCHEDULE

MOU Process was approved and budgeted by City Council on June 9th.

Each 'Topic' will be addressed in order involving:

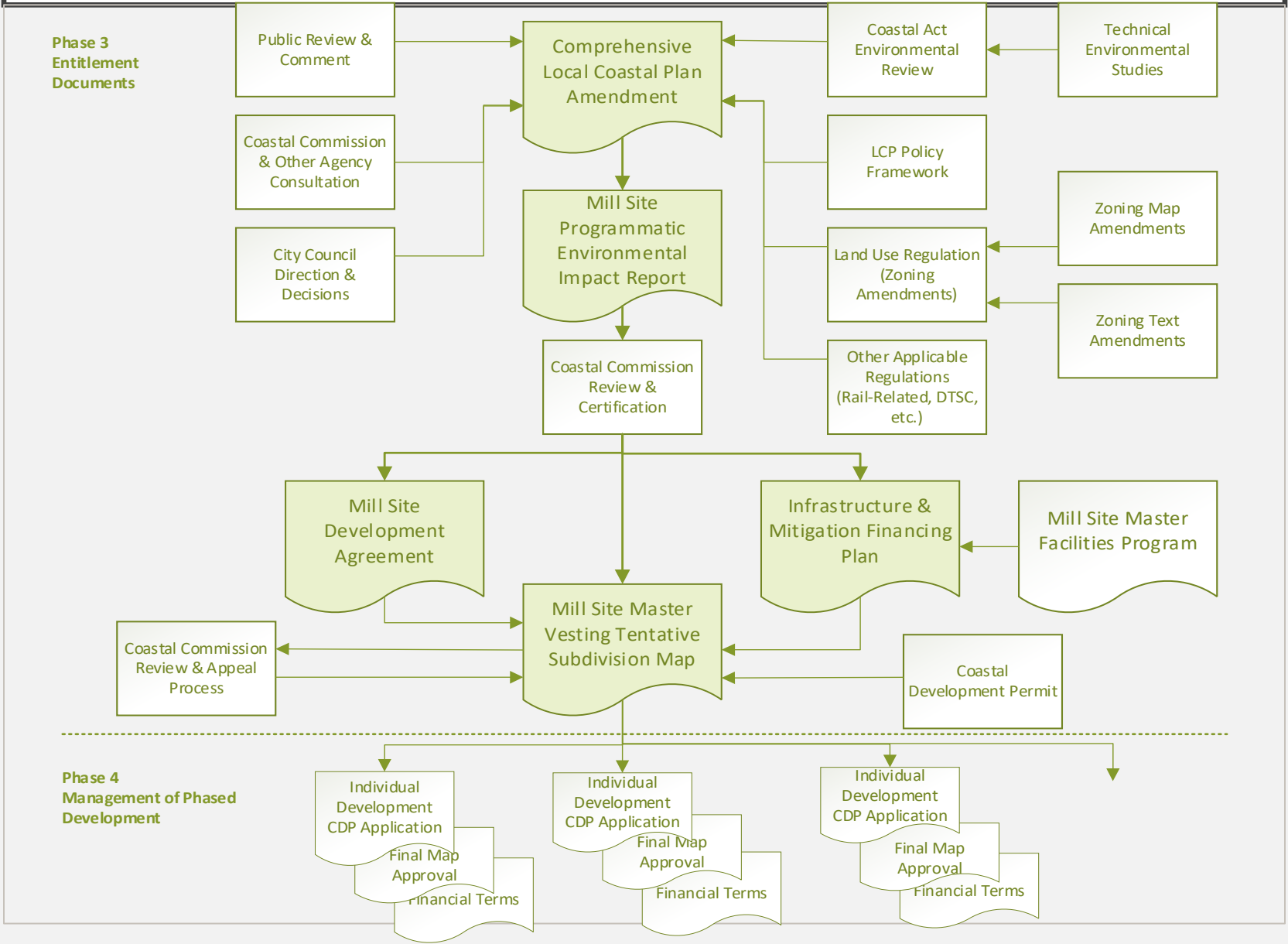
- Technical efforts by Planning Team
- Negotiation with Mendocino Railways
- Consultations with affected agencies and organizations
- Subsequent review by City Council and public

Following completion of the Topics a complete MOU will be assembled, reviewed, and considered for adoption by the City Council; acceptance will trigger formal application for LCP Amendment, environmental review, and other components.

The MOU Process will take several months to complete, at the least. A detailed schedule will be prepared in the coming month

4. ENTITLEMENT STRATEGY & COASTAL POLICY ALIGNMENT

4. ENTITLEMENT STRATEGY & TIMEFRAME



Rough Timeframe

2025-2026

2026-2027

2027-2028

2026-2027

2028

2028-2058



Coastal Policy Alignment

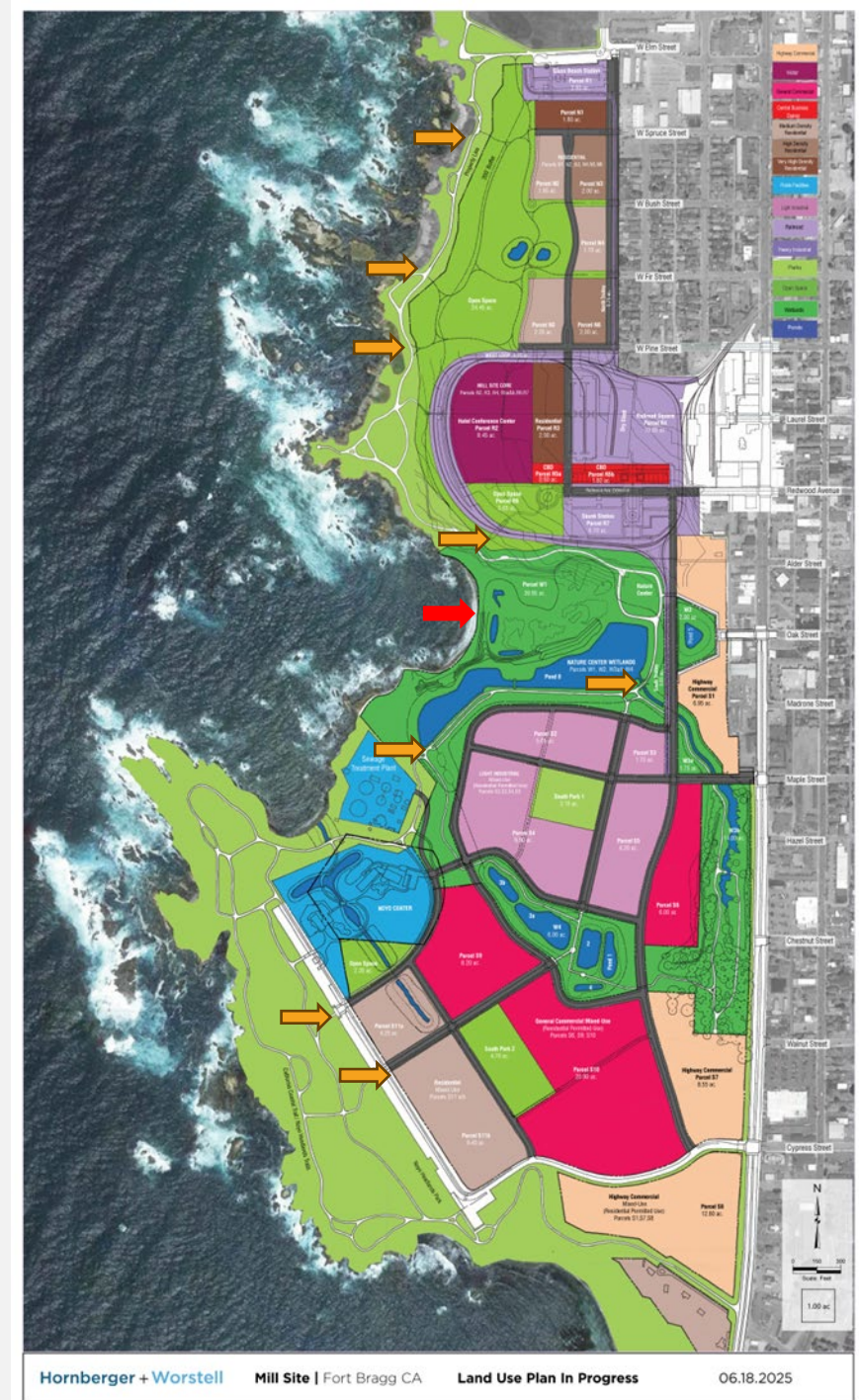
Coastal Act Priorities

- Coastal Access
- Open Space and Recreation
- Coastal Dependent Uses
- Resource Protection
- Protection of views

COASTAL ACCESS.

Multiple connections to Noyo Headlands Park.

- 3 connections north of Pine Street
- One connection between Pine Street and Oak Street
- 4 connections south of the Mill Pond.
- Process for financing and developing the coastal access routes will be defined in both the LCP amendment and the Development Agreement.
- The Mill Pond area has no connection to the coast/beach. Coastal access to the beach could be required as part of the Mill Pond Remediation project.



OPEN SPACE & PARKS.

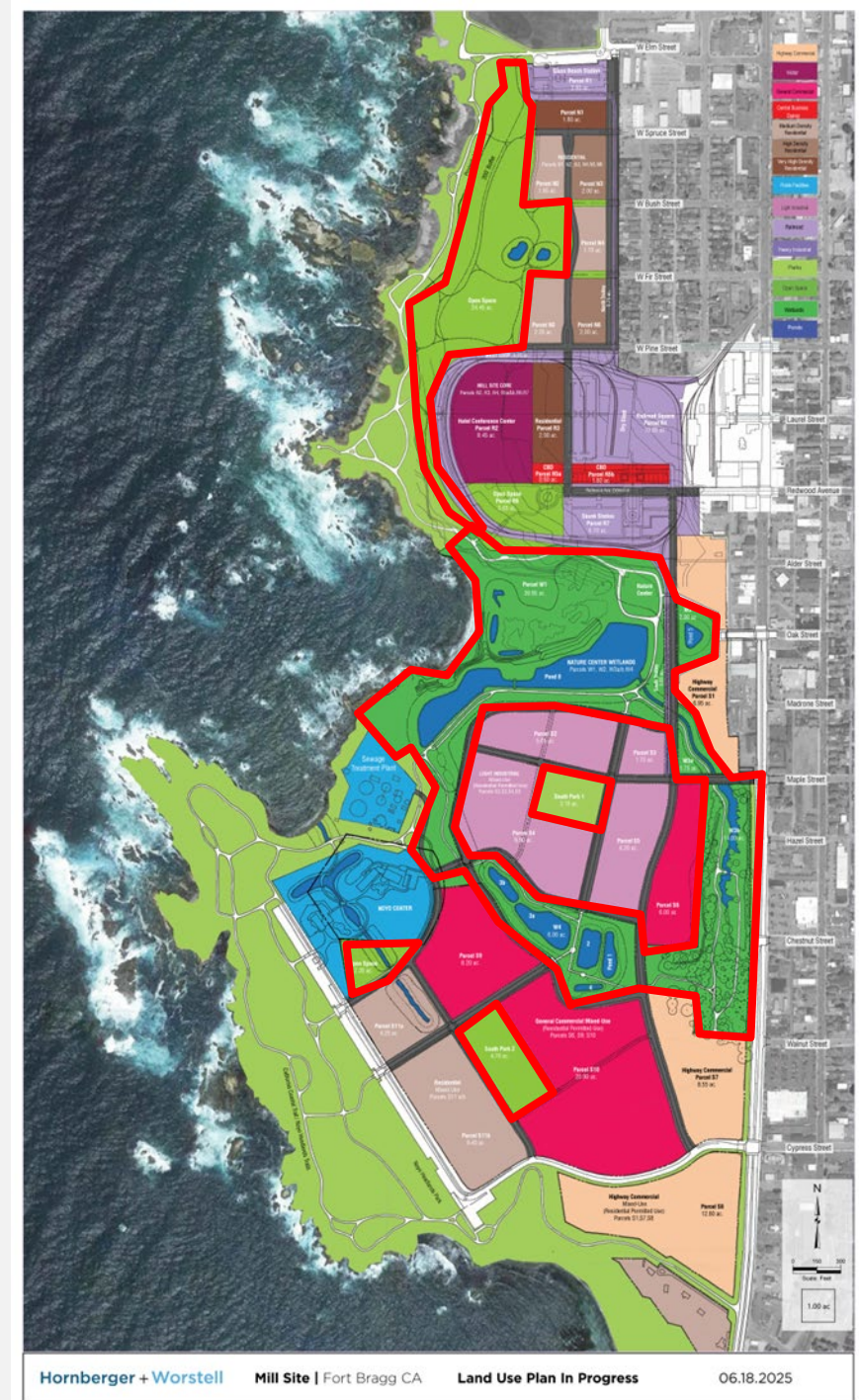
106 acres (35% of mr's property) as open space & parks.

Consistent with previous Land Use Plans prepared through previous community planning processes:

- 26 acres of open space north of Redwood Avenue east of the Coastal Trail.
- Mill Pond area, Ponds 1-4 and the forested areas are open space (72 acres or 24% of MR's property).
- Daylighting of the creek between Maple Street and Pond 8.

New Open Space

Three new public parks (8.6 acres) on the southern portion of the site.



COASTAL DEPENDENT USES

Visitor serving, coastal related industries, coastal recreation

Consistent with previous Land Use Plans prepared through previous community planning processes:

- 43 acres (14.6% of MR's property) designated for Highway Commercial and a hotel conference center, which are coastal dependent uses.
- Noyo Center property (11 acres) is a coastal dependent use, however that site is not part of this LCP amendment as it has already been rezoned.



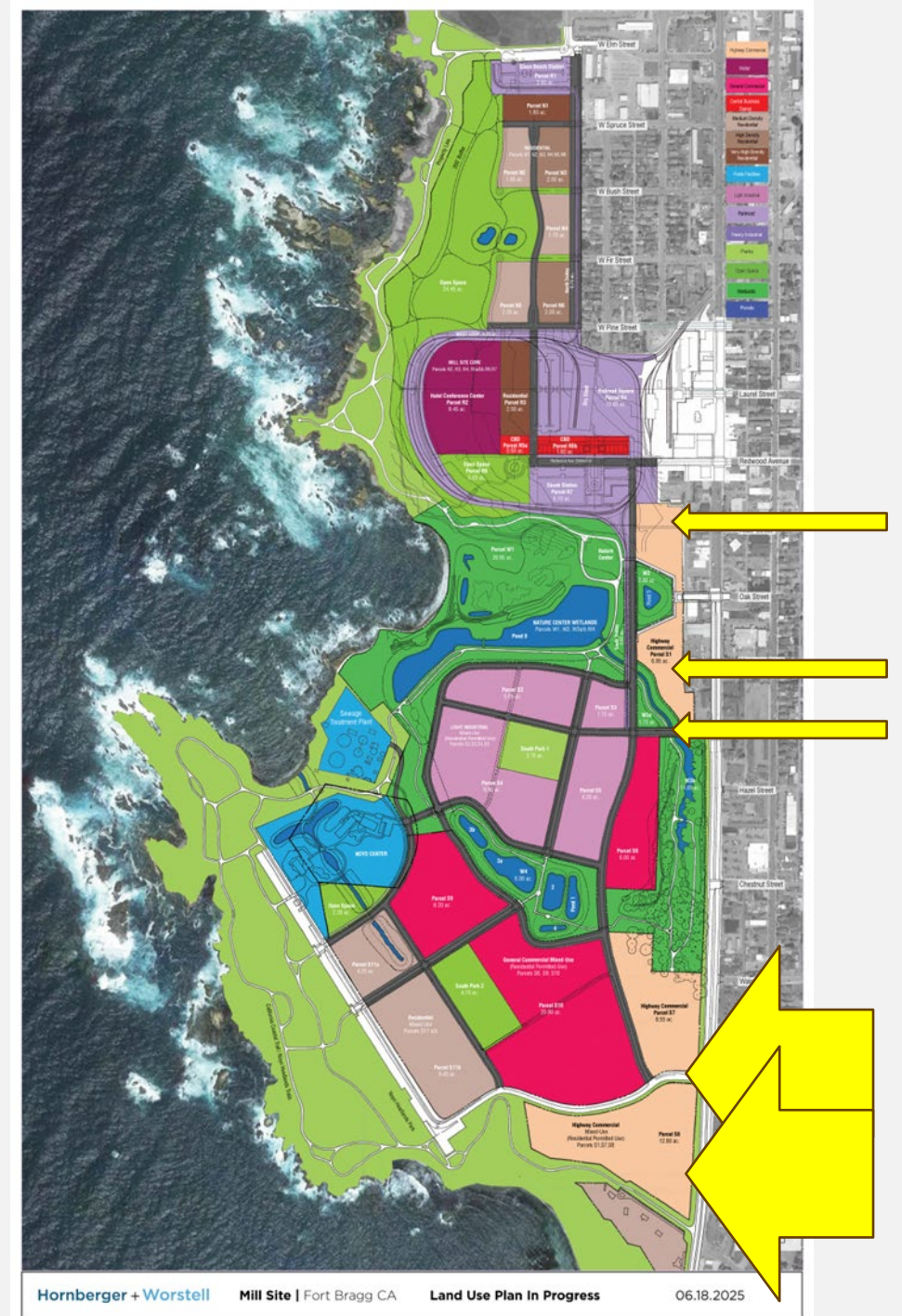
PROTECTION OF WETLANDS & RARE PLANTS.

- Land Use Plan designates known wetlands in the central open space configuration which is 72 acres or 24% of MR's site.
- Site not surveyed for Coastal Act wetlands.
- Based on aerial imagery parcels S9, S10, S6, and S1 might have Coastal Act wetland over a portion of each parcel. ★
- No rare plant survey to date.



PROTECTION OF PUBLIC VIEWS to and along the ocean.

- The Coastal Act protects public views from street corridors and public parks.
- The site will be analyzed for impacts to ocean views as part of the LCP amendment process.
- Potential views could be blocked with future development from Alder, Madrone, and Maple Streets and between Walnut and South Street.
- The LCP amendment will establish view corridors from public vantage points.

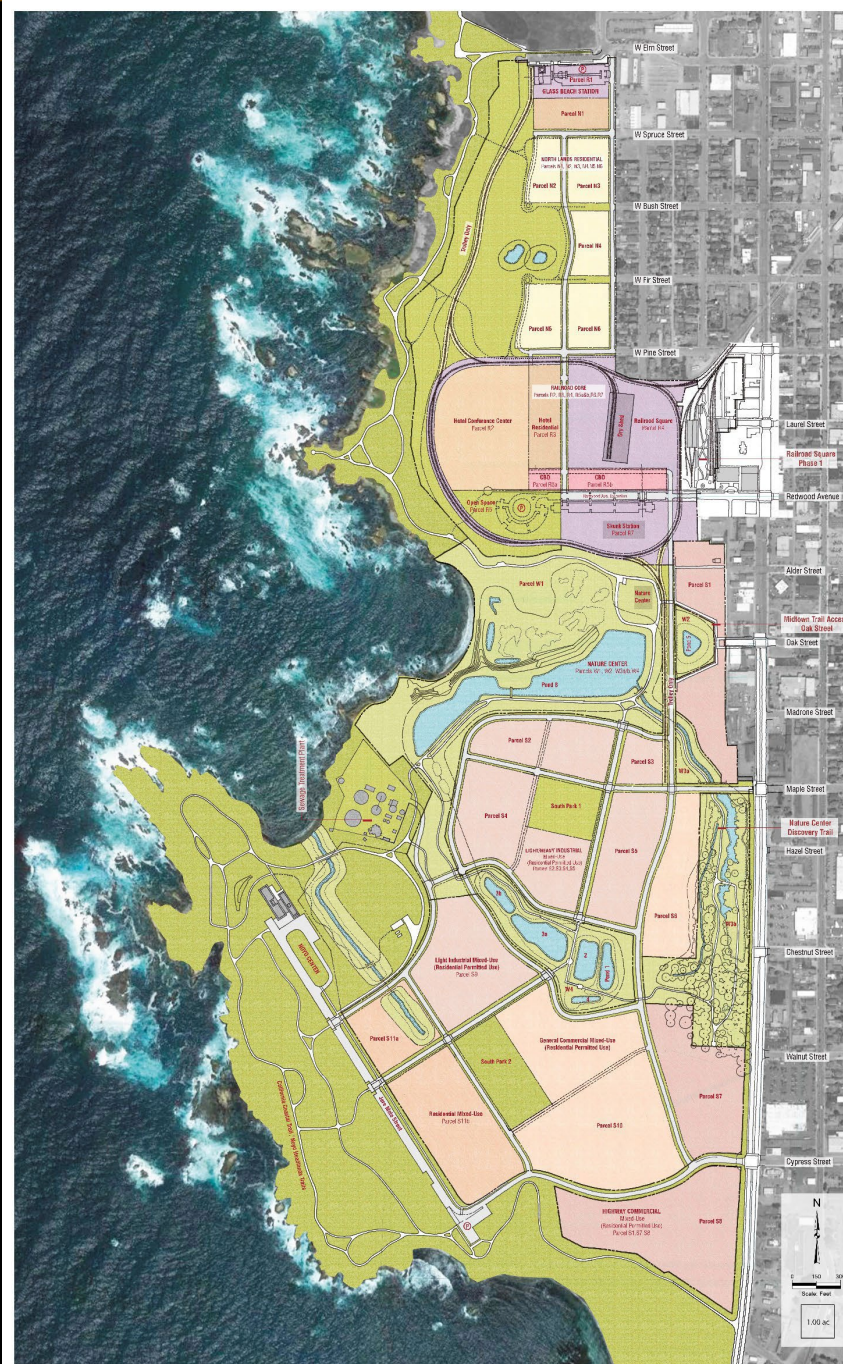


OTHER ITEMS

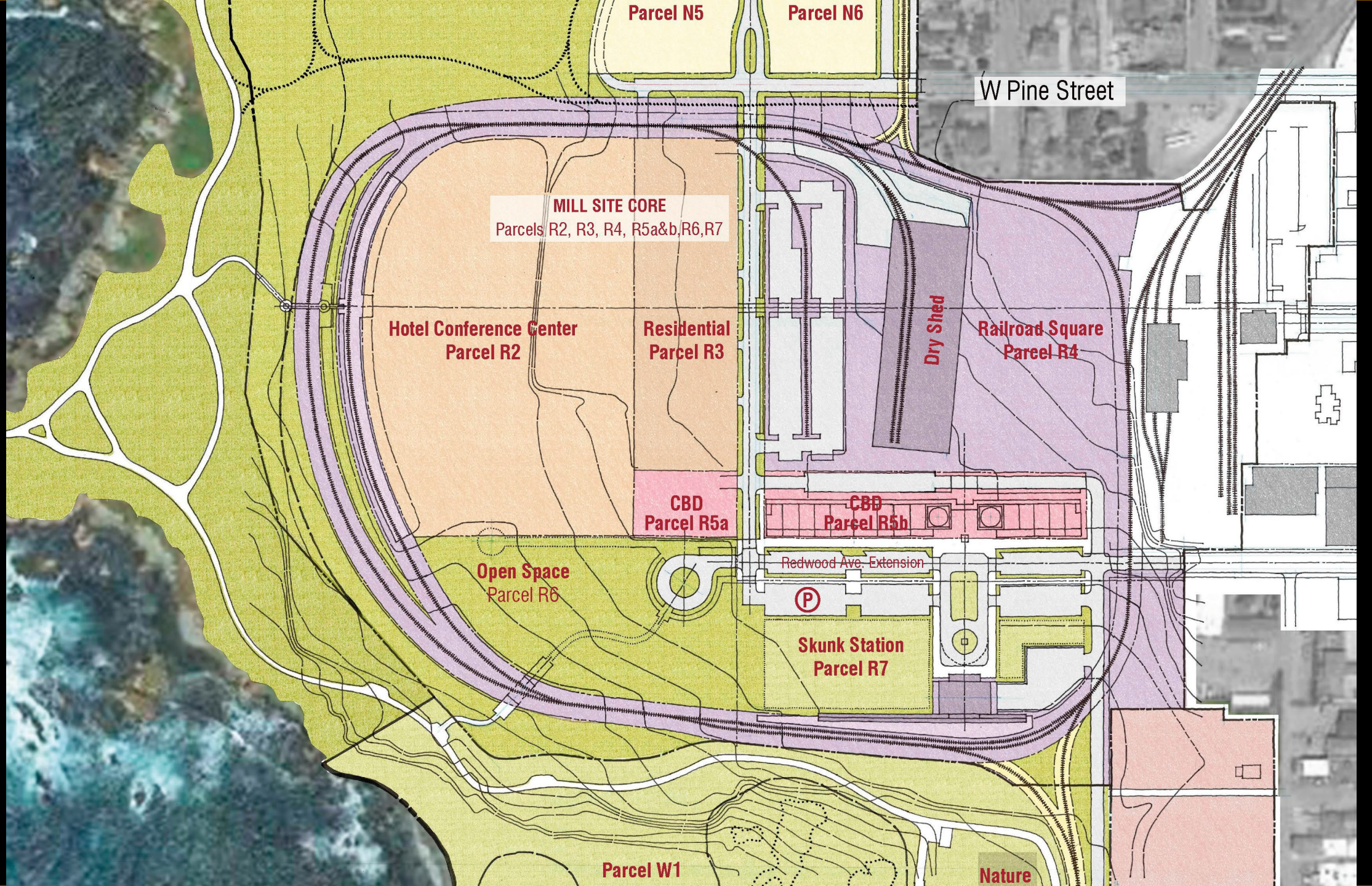
- Protection of Cultural Resources.
- Protection of Water Quality.
- Retention of Infrastructure Capacity (water, sewer, road capacity) for Priority Coastal Uses.
- Continue grid on to the Mill Site.
- Plan does not preclude creek daylighting.



5. ILLUSTRATIVE PLAN UPDATE







Parcel N5

Parcel N6

W Pine Street

MILL SITE CORE
Parcels R2, R3, R4, R5a&b, R6, R7

Hotel Conference Center
Parcel R2

Residential
Parcel R3

Dry Shed

Railroad Square
Parcel R4

CBD
Parcel R5a

CBD
Parcel R5b

Open Space
Parcel R6

Redwood Ave. Extension

(P)

Skunk Station
Parcel R7

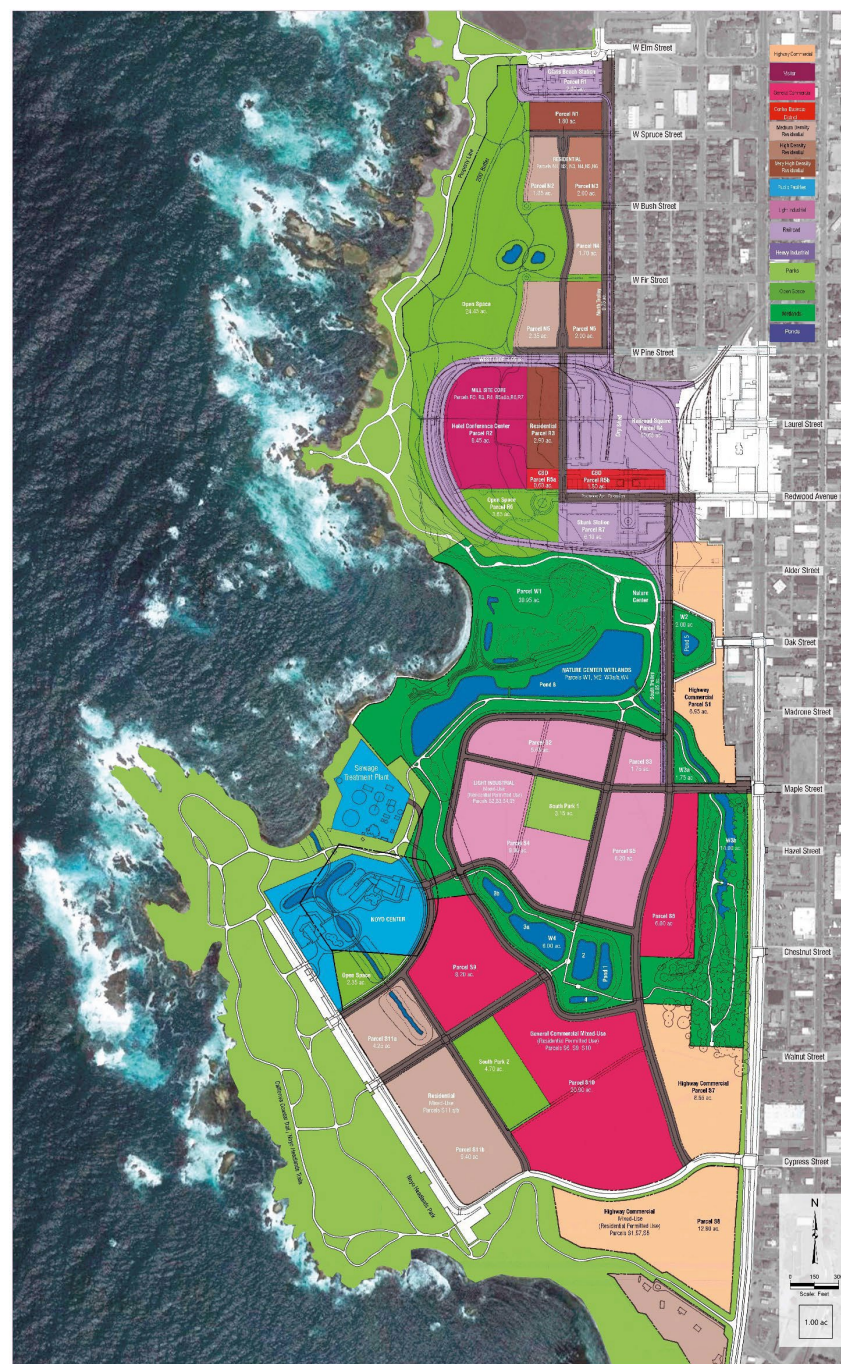
Parcel W1

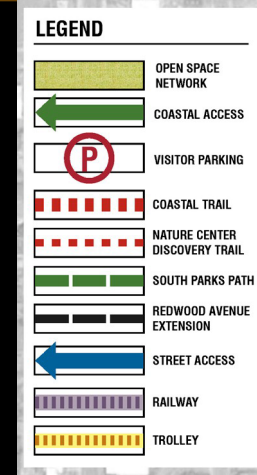
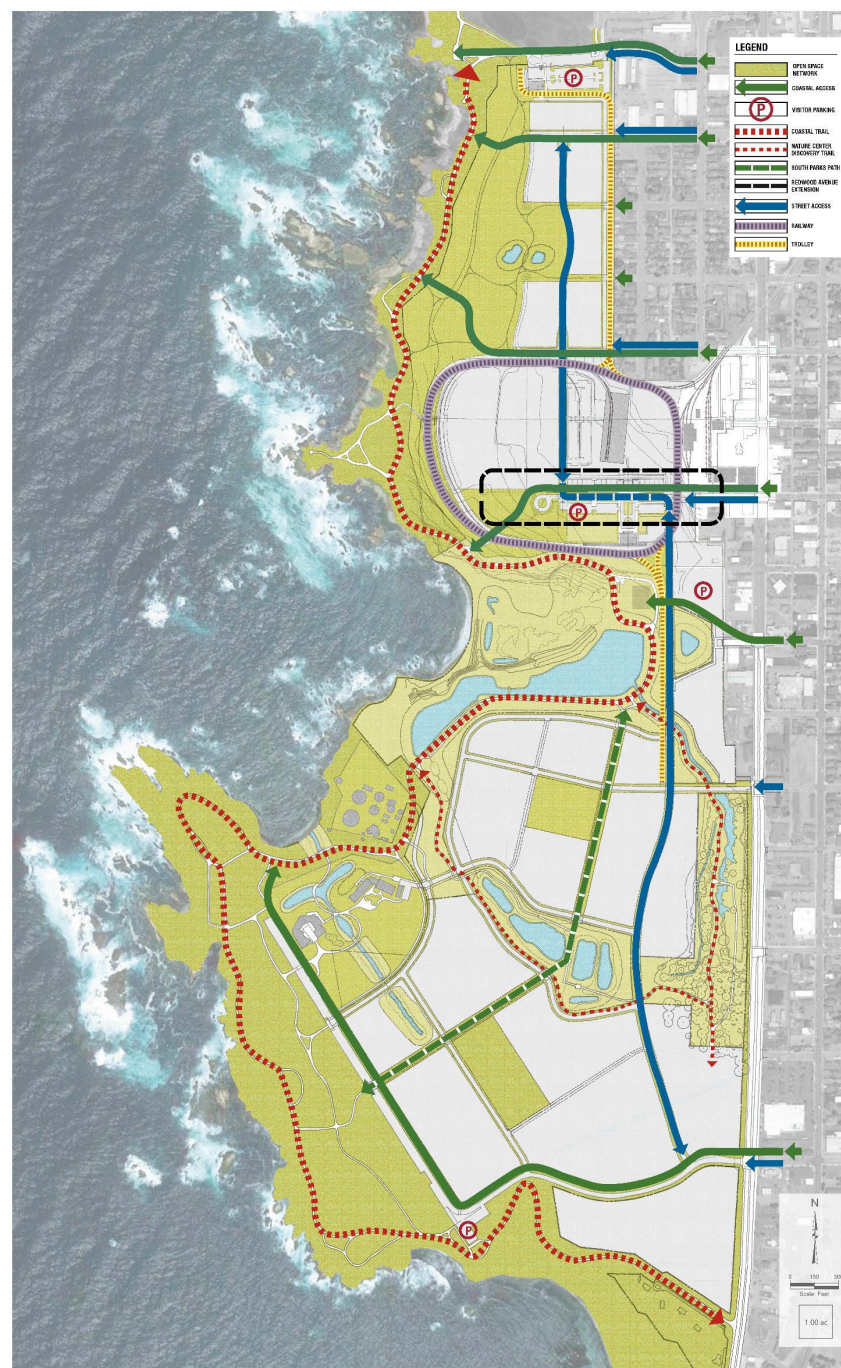
Nature











6. ADDRESSING RAILROAD-RELATED USES

POTENTIAL FRAMEWORK FOR REGULATING RAIL-RELATED AND NON-RAIL-RELATED USES & ACTIVITIES ON THE MILL SITE

Rail Related: Compliance without Permits

- MR has tentatively agreed to comply with State and local regulations (building zoning codes) without obtaining permits.
- MR agrees it's permit exemption is for Railroad Uses **only**.

Non-Rail: Permits Required

- MR agrees that all Non-Railroad-Related Uses would be subject to City permitting.
- for mixed projects (train station with a restaurant), the restaurant would require a permit.

POTENTIAL GEOGRAPHIC EXTENT OF RAILROAD- RELATED USES

- Parcel R4 "Railroad Square."
- Parcel R7 "Skunk Station." MR wants to relocate the Skunk Train Station to this parcel.
- A dual loop of tracks.
- A "Trolley Only" track for an all-electric trolley from "Glass Beach Station" to the south side of the site.
- "Glass Beach Station" would be a secondary station and would include a second story ocean view restaurant.



RAILROAD USES, NO PERMITS

1. **Development and operations related to railroad tracks, signals, and crossings**
Construction of railroad infrastructure such as ties, rail, other track materials, switches, and crossings.
2. **Development and operations related to railroad facilities** Construction and improvement of stations, yards, shops, transloading facilities, and ancillary facilities.
3. **Construction and operation of railroad equipment** freight/passenger equipment, maintenance of way equipment, transloading equipment, as well as any noise, horns, and emissions.

NON-RAILROAD USES, PERMITS REQUIRED

1. **Facilities.** Construction, renovation, and maintenance of buildings, such as hotels, restaurants, bars, retail stores, residential housing, and other commercial or public facilities Installation, maintenance.
2. **Utilities:** installation of electrical water, sewage, stormwater, gas, and telecommunications utilities.
3. **Roads.** City streets, sidewalks, and public trails.
4. **Parks, greenspace, and landscaping:** This encompasses the design, creation, and maintenance of public parks, gardens, open spaces, and landscaping.
5. **Events:** public or private events such as festivals, markets, parades, and community gatherings
6. **Uses.** Regulation of residential and business uses on the millsite.
7. **Events.**

CITY'S PERMITTING PROCESS

- **Coastal Development Permit.** Protects coastal resources (biological, wetlands, cultural, public views, public access, water quality...) while prioritizing visitor serving uses.
- **Use Permit.** Ensures compatibility between uses where there is the potential for conflict (noise, glare, traffic, odors, etc.).
- **Design Review Permit.** Ensures that new development follows the City's design guidelines.
- **Variance.** A variance allows a project to proceed without compliance with one or more development standards of the code under narrow, legally prescribed circumstances.
- **Sign Permit.** Signs are regulated for size, location, height, color, lighting and appearance.
- **Limited Term Permit.** Limited term permits regulate special events and other short-term activities.
- **Zoning Clearance.** For all projects, including those which don't require planning permits. City staff review to ensure that a project complies with the zoning code prior.
- **Building Permit.** Ensures that new construction complies with building, plumbing, mechanical and electrical codes.

ESTABLISH PERMIT EXEMPTIONS IN THE LCP AMENDMENT

The City Could:

- **Use Permits.** Designate Railroad Uses as a “permitted use” by right in the use tables in Chapter 2 of the Coastal Land Use and Development Code.
- **CDPs.** Apply to the Coastal Commission for approval of a “CDP Categorical Exclusion Area” for Railroad uses in the purple zoning area.
- **Design Review.** Exempt Railroad Uses from Design Review in Chapter 7 of the CLUDC.
- **Sign Permit.** Exempt railroad from Sign Permit requirements in Chapter 3 of the CLUDC.
- The LCP amendment could include a map overlay illustrating the agreed to area of exemption and a General Plan policy which describes the purpose and extent of the exemption.
- Through the LCP amendment process, the City/Coastal Commission would add a new chapter to the City’s zoning code to outline the required steps for railroad compliance with the City’s certified LCP.
- Establish procedures in the LCP for ensuring compliance with regulations, without issuance of permits.
- Develop specific use-related regulations.

CDP OPTIONS CONSIDERED AND DISCARDED

- Coastal Development Permit's processed under protest.
- Add an exemption from applying for a Coastal Development Permit to the City's Zoning Ordinance.

Not acceptable to MR

Not acceptable to Coastal
Commission's Attorneys or staff.

REMAINING CDP OPTION CATEGORICAL EXCLUSION AREAS

Regulatory Adoption Process

- “Categorical Exclusion Areas” are
 - Allowed under the Coastal Act.
 - Apply only to specified uses types located in a specified area.
- The City would apply for the categorical exclusion area with an analysis that must show rail projects would have no impact on coastal resources.
 - Need detailed plan of all potential rail activities.
 - Complete all background studies.
 - This process will likely take a year to complete.
- Coastal Commission can adopt a “Categorical Exclusion Area Order” with a 2/3 majority vote of the Coastal Commission.
- To approve the order, the Coastal Commission must have to make findings that no coastal act resources would be impacted by new development in the Categorical exclusion area.

REMAINING CDP OPTION CATEGORICAL EXCLUSION AREAS

Application

- Projects within a CDP Categorical Exclusion Area can proceed without getting a CDP. (e.g. Todd's Point is a CDP Categorical Exclusion Area).
- Projects must comply with all exclusion area requirements:
 - Submit an application, project plans, resource studies, etc.
 - City completes CEQA if required.
 - Categorical exclusion notification sent to Coastal Commission.
 - Coastal commission can challenge (appeal) the exclusion, if it does not meet all requirements.

PERMITTING MIXED PROJECTS
(RAILROAD & COMMERCIAL)
FOR USE PERMIT, DESIGN REVIEW (NOT
CDPs)

- **All non-railroad components**, of a mixed project would be required to get all required permits from the City and a building permit from the County.
- Mixed projects could include shared facilities: parking lots, landscaping, elevators, bathrooms, foundations, walls, roofs, etc. which would be regulated through the permitting process
- The components of a shared structure (shell) that impact structural safety of the non-railroad components of the mixed project would be regulated through a building permit.

OTHER KEY ISSUES

Enforcement

- Through the Development Agreement
- Letter of Credit
- Performance Bond

Appeals

- Coastal Commission can accept an appeal of a Categorical Exclusion project.

CEQA

- The environmental impacts of all permitted uses (including railroad) must be analyzed in the EIR for the LCP Amendment.

OTHER LITIGATION ISSUES

- Noise from train horn
 - Can request a Quiet Zone
 - Install additional signalized rail crossing
- Events – subject to Limited Term Permits
- Rail of transport of hazardous materials -
- Health & safety – Compliance with the Building Code

REMEDIATION TOPICS

GROUND WATER STATUS

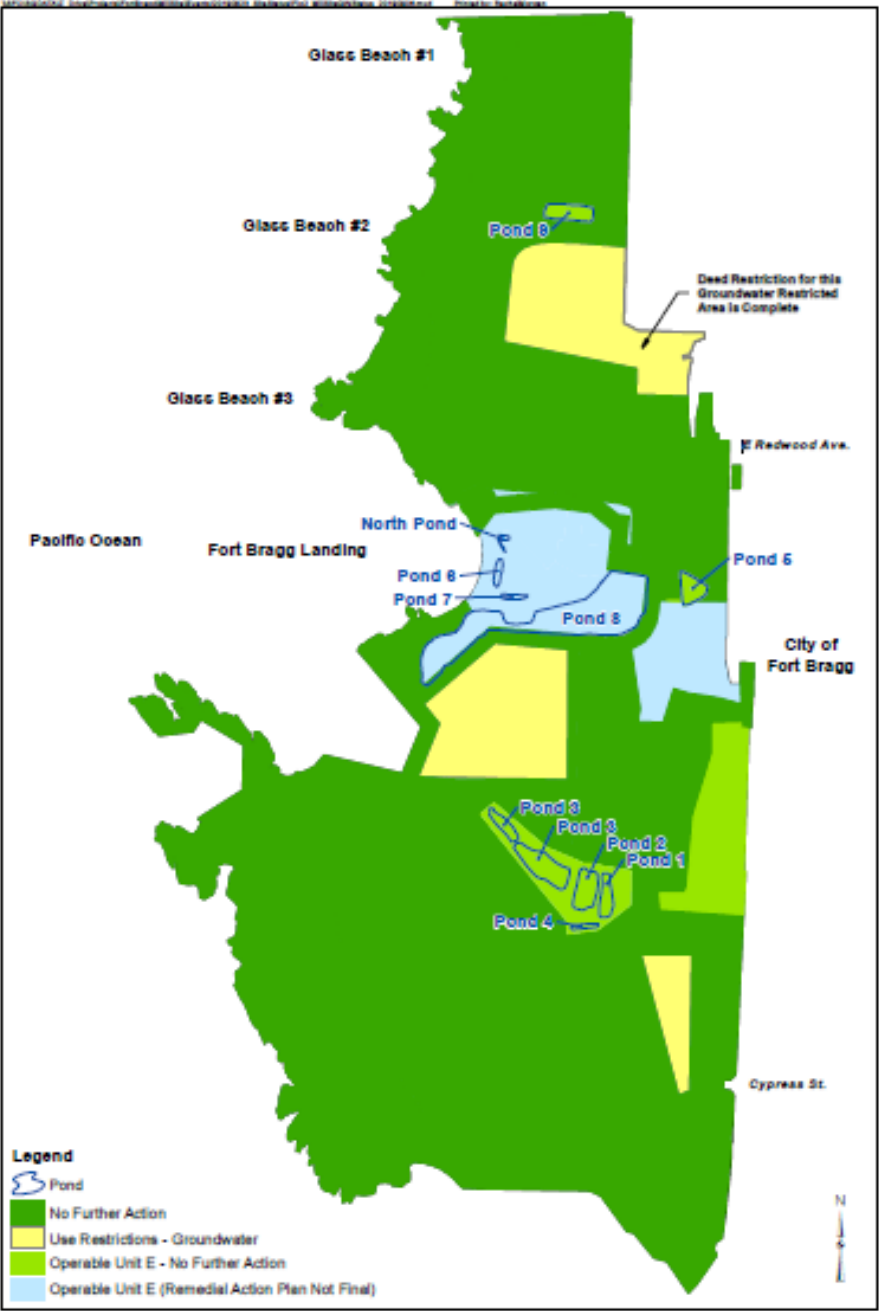


Figure: Mill Site Groundwater Status
September 2019

SOIL & SEDIMENT STATUS

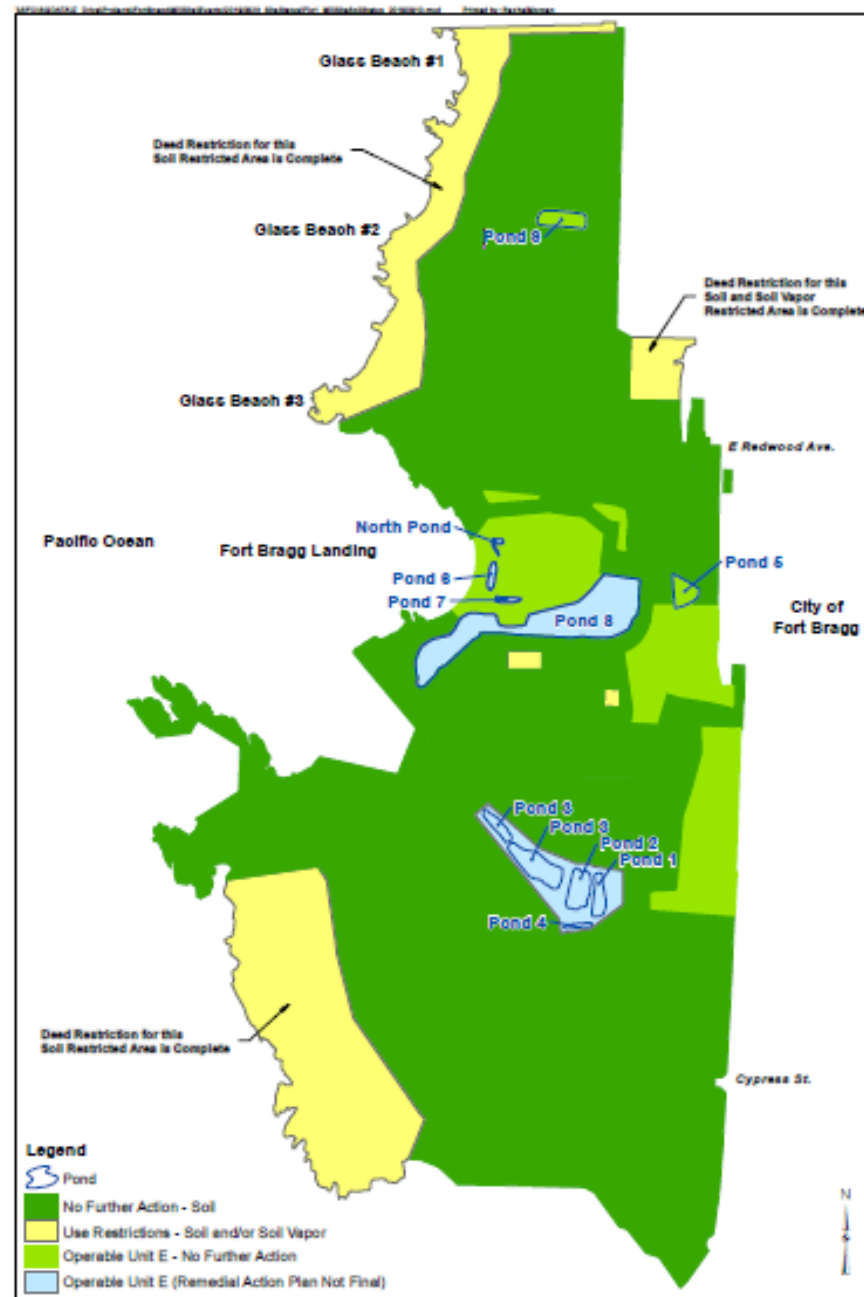


Figure: Mill Site Soil and Sediment Status
September 2019

COMMUNITY UPDATE

The mission of DTSC is to protect California's people and environment from harmful effects of toxic substances by restoring contaminated resources, enforcing hazardous waste laws, reducing hazardous waste generation, and encouraging the manufacture of chemically safer products.

Former Georgia-Pacific Mill Site Updates on Cleanup Progress and Feasibility Study

The California Department of Toxic Substances Control (DTSC) wants to update you on the cleanup progress at the former Georgia-Pacific Mill Site. The Mill Site is located west of Highway 1 in the City of Fort Bragg, Mendocino County.

To help organize investigation and cleanup, DTSC divided the Mill Site into five geographic areas (A, B, C, D, E) called operable units (OUs). The OUs are shown on the figure located on the last page. This update focuses on recent cleanup actions (in OUs C, D, and E) and on the revised draft OU-E Feasibility Study (FS).

DTSC's oversight of the Georgia-Pacific Mill Site cleanup began in 2006, with cleanup efforts initially focused on the removal of contaminated soil and fly ash. In 2007, fuel pipelines and soil contaminated with petroleum from OU-E were removed, as was the pile of fly ash located near the South Ponds (Ponds 1-4). In 2009, over 14,000 cubic yards of soil [contaminated with polychlorinated biphenyls (PCBs), lead, and dioxin] were removed from OU-A, prior to the development of Noyo Headlands Park and Coastal Trail. In 2008 and 2009, over 1,000 cubic yards of soil contaminated with lead and PCBs were removed from OUs C and E. This work included bioremediation (using microbes for cleanup) of approximately 40,000 cubic yards of soil contaminated with petroleum. This cleanup achieved residential cleanup goals.

2017 Cleanup Summary

In 2017, Georgia-Pacific implemented two DTSC approved cleanup plans, a Remedial Action Plan (RAP) for OUs C and D and a Removal Action Workplan (RAW) for OU-E. These cleanup actions disposed of approximately 3,218 combined cubic yards of contaminated soil and sediment to a permitted disposal facility. OUs C and D soil excavation achieved residential cleanup standards for pentachlorophenol (a wood preservative), dioxin, petroleum, and benzo(a)pyrene. OU-E soil excavation also met residential standards for dioxin, lead, and benzo(a)pyrene. The draft Completion Report for the 2017 work is available at the Information Repositories listed at the end of this document and on DTSC's EnviroStor website.

Public Comment Period



Community Meeting:
Thursday May 24, 2018
6:30 pm - 8:30 pm

Town Hall
363 N. Main Street
Fort Bragg, CA 95437

Format will be half hour
presentation by DTSC,
followed by opportunity for
questions and discussion.

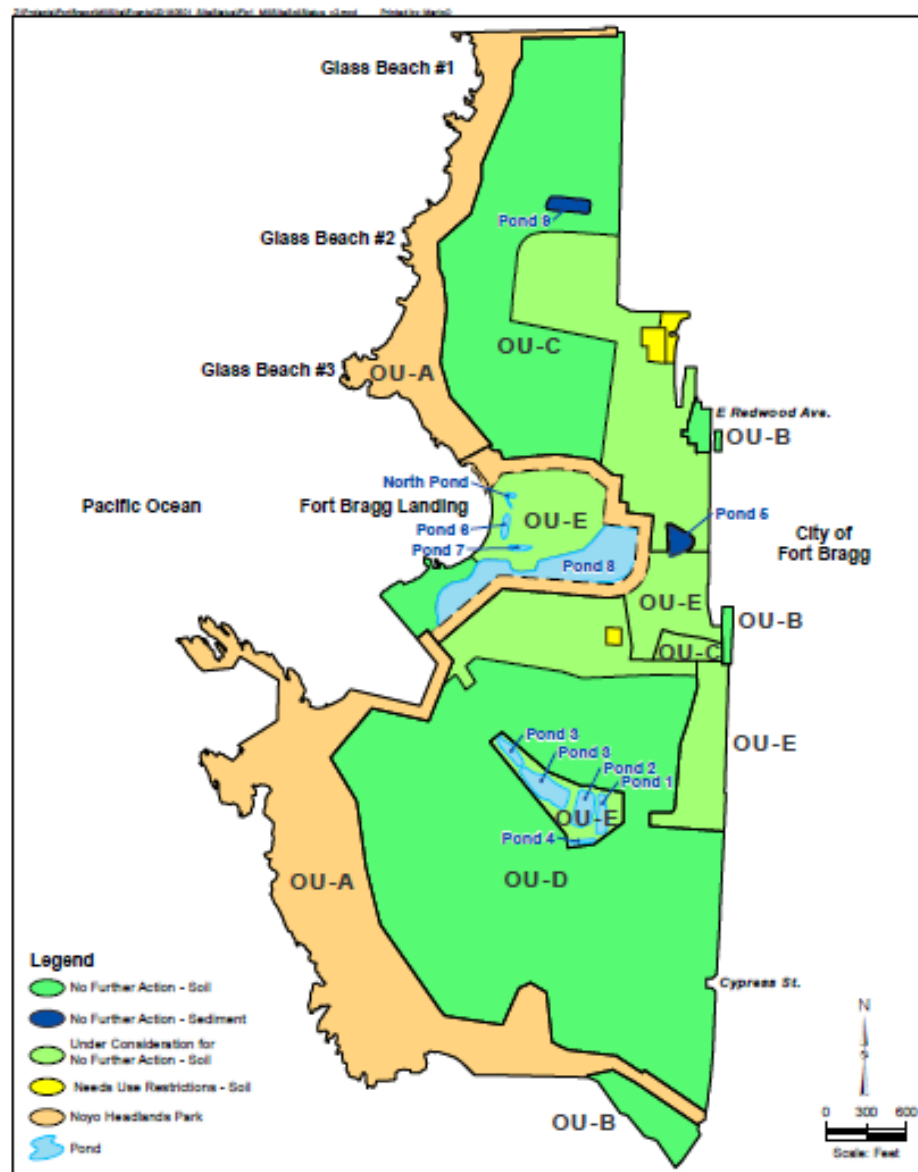


Figure: Mill Site Soil and Sediment Status
May 2018

CalEPA



DTSC



State of California

