

## **City of Fort Bragg**

416 N Franklin Street Fort Bragg, CA 95437 Phone: (707) 961-2823 Fax: (707) 961-2802

# Meeting Agenda Special City Council

THE FORT BRAGG CITY COUNCIL MEETS CONCURRENTLY
AS THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT
NO. 1 AND THE FORT BRAGG REDEVELOPMENT SUCCESSOR
AGENCY

Tuesday, February 25, 2025

5:00 PM

Town Hall, 363 N Main Street

## SPECIAL CITY COUNCIL / PLANNING COMMISSION - MILL SITE VISIONING WORKSHOP

#### **CALL TO ORDER**

#### **ROLL CALL**

#### COUNCILMEMBERS PLEASE TAKE NOTICE

Councilmembers are reminded that pursuant to the Council policy regarding use of electronic devices during public meetings adopted on November 28, 2022, all cell phones are to be turned off and there shall be no electronic communications during the meeting. All e-communications such as texts or emails from members of the public received during a meeting are to be forwarded to the City Clerk after the meeting is adjourned.

#### 2. CONDUCT OF BUSINESS

2A. 25-48 City Council / Planning Commission Joint Special Meeting Mill-Site Workshop

**Attachments:** Workshop Agenda

Master Development Agreement Process

Illustrative Plan Formative Elements

Site Specific Topics

Illustrative Plan For Discussion In Progress

Open Space Network Access and Circulation In Progress

Illustrative Plan References

<u>Draft Fort Bragg Millsite Master Development Proposal</u>

City Council Guiding Principles 2019

City & Commission Planning Objectives 2017-2018

Additional Remediation 2-20-25

#### **ADJOURNMENT**

The adjournment time for all Council meetings is no later than 10:00 p.m. If the Council is still in session at 10:00 p.m., the Council may continue the meeting upon majority vote.

STATE OF CALIFORNIA	)
	)ss.
COUNTY OF MENDOCINO	)
	rjury, that I am employed by the City of Fort Bragg and that I ted in the City Hall notice case on February 21, 2025.
AMBER LENORE WEAVER	
Acting City Clerk	

#### **NOTICE TO THE PUBLIC:**

## DISTRIBUTION OF ADDITIONAL INFORMATION FOLLOWING AGENDA PACKET DISTRIBUTION:

- Materials related to an item on this Agenda submitted to the Council/District/Agency after distribution of the agenda packet are available for public inspection upon making reasonable arrangements with the City Clerk for viewing same during normal business hours.
- Such documents are also available on the City of Fort Bragg's website at https://city.fortbragg.com subject to staff's ability to post the documents before the meeting.

#### ADA NOTICE AND HEARING IMPAIRED PROVISIONS:

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If you need assistance to ensure your full participation, please contact the City Clerk at (707) 961-2823. Notification 48 hours in advance of any need for assistance will enable the City to make reasonable arrangements to ensure accessibility.

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### **Text File**

File Number: 25-48

Agenda Date: 2/25/2025 Version: 1 Status: Business

In Control: Special City Council File Type: Staff Report

Agenda Number: 2A.

City Council / Planning Commission Joint Special Meeting Mill-Site Workshop

# AGENDA MILL SITE PLANNING WORKSHOP

Tuesday, February 25, 2025 Fort Bragg Town Hall - 363 North Main Street

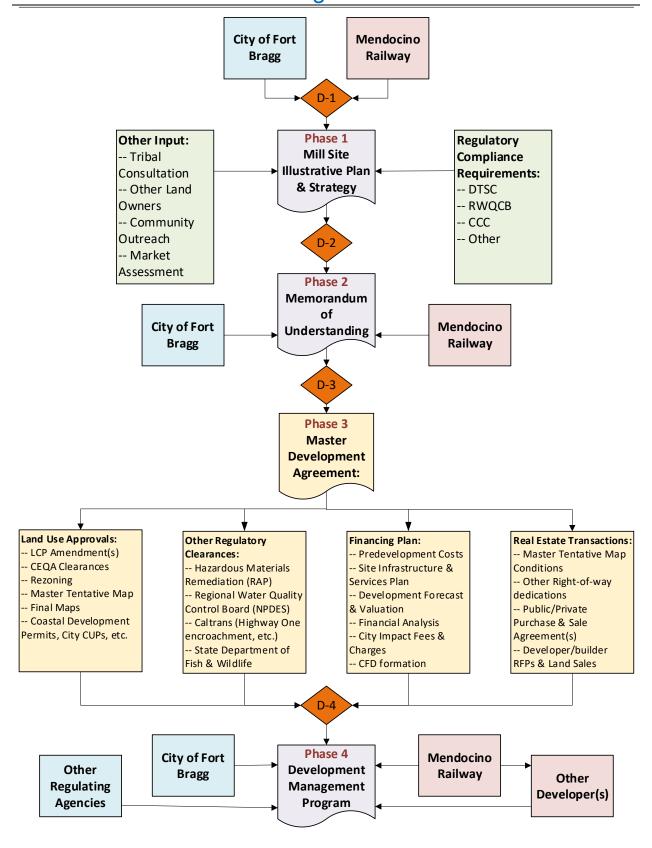
5:00 - 5:30 pm	Open House; view maps and wall materials; informal discussions with the Project Team Members
5:30 - 6:00 pm	Workshop orientation and introduction of the Project Team, objectives for the evening, and perspectives upon the joint City of Fort Bragg/Mendocino Railway Illustrative Plan and subsequent planning process
6:00 - 6:20 pm	'Walk around' review of the Illustrative Plan Maps and wall materials (adding 'sticky note' comments to maps and posters and formulating questions)
6:20 – 8:15 pm	Public comments and questions
<b>8:15pm - 8:30 pm</b> Next steps – Council Study Session on March 10 <sup>th</sup> , City Council decision whether to proceed with formal planning	

process, and if so, seeking extension of stay of the

Adjourn

litigation

# Fort Bragg Mill Site Master Development Agreement Planning Process



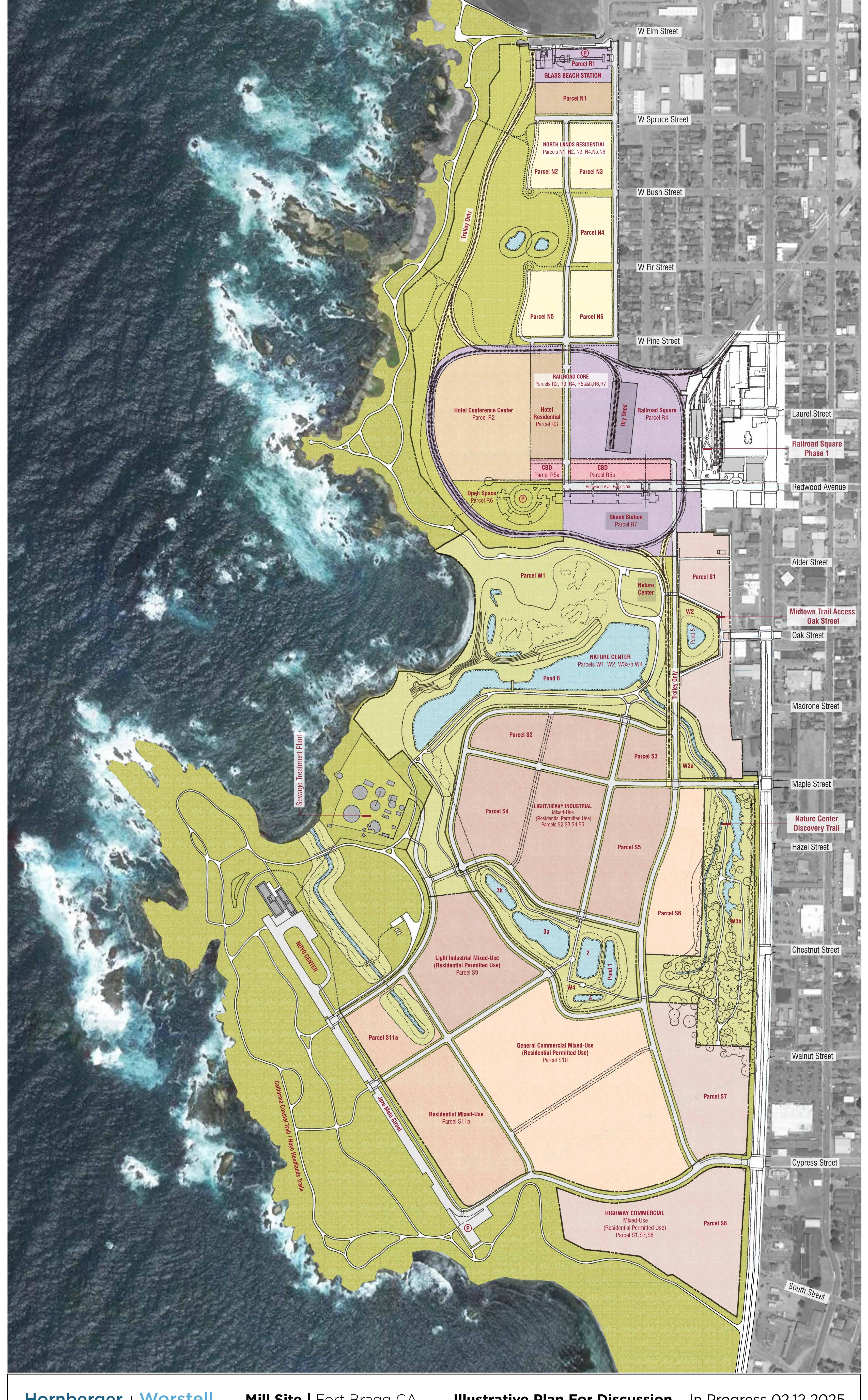
## Fort Bragg Mill Site – Illustrative Plan Formative Elements

- 1. **Establish Land Use Sub-Areas** -- The essence of a land use plan is the spatial expression, a mosaic, of sub-areas where various land uses will be located and will interact with each other internally and with surrounding existing land uses.
- 2. Distinguish the North Mill Site Area from the South Mill Site Area -- The North Mill Site area is best thought of as an extension and enhancement to the City's existing downtown urban form, focusing on housing and visitor-serving uses with near-term development potential while the expansive South Mill Site Area has longer range potential for a variety of uses including larger format commercial, industrial, and institutional uses along with visitor-serving and residential uses.
- 3. Determine Individual Land Use Types & Mix -- Planning for the Mill Site has always assumed a mix of residential, commercial, visitor serving, and industrial areas in addition to coastal access uses (e.g., parking), and conservation uses. While the Plan can envision a desired mix of use types, development densities and quantities, the market will always determine what gets built. Lacking a 'ready market', flexibility and strategy are necessary, taking advantage of current market conditions while creating value and incentivizing development for which there may not be a current market.
- 4. Resolve and Reflect Development Constraints. A range of site-specific and areawide development constraints will affect the location and scale of new development. While some of these constraints have been reflected in the Illustrative Plan, others will be revealed during the formal planning process.
- 5. Create Community and Real Estate Value -- The key to successful development of the Mill Site given its large swath of development land and lacking a fully developed market demands 'creating value'. Such value begins with public investments (e.g., the coastal trail) and through good planning, establishing development entitlements and permits, improving existing amenities, investment in needed infrastructure, and other development readiness investments as needed to attract investors and builders.
- 6. Enhance Coastal Access -- The Coastal Trail and adjacent parks and open spaces will remain the central amenity of the Mill Site. The Land Use Plan for the Mill Site will further improve the Coastal Trail and other existing public access facilities by providing additional access points, visitor attractions, and expanding parking where and if needed.
- 7. Infrastructure Needs & Capacity -- Development of the Mill Site will require a full range of urban infrastructure that will shape and be constructed concurrent with development activity. This infrastructure includes roadways, water, sewer, drainage, and power utilities. This infrastructure will be 'tuned' to the precise needs determined in the formal planning process. Infrastructure funding will be derived from private equity, development fees and charges, land secured special taxes and assessments. Potential City sources include grant funding, utility rates, property tax increments, and bonds.

## Fort Bragg Mill Site - Site-Specific Topics

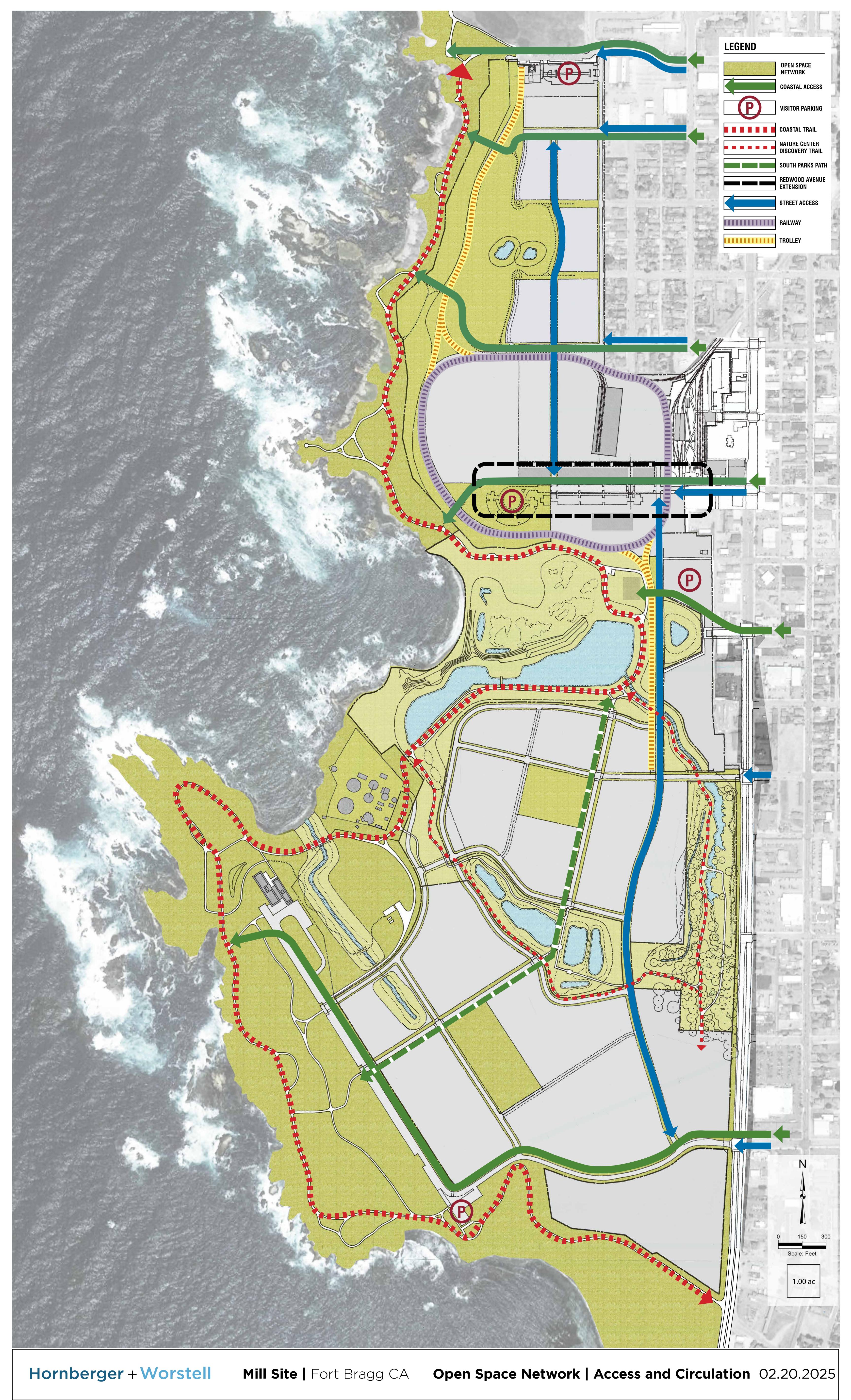
There are several specific topics, beyond the land use designations, that will need to be evaluated, designed, and integrated as may be appropriate in the subsequent formal planning process.

- 1. **Scale and Locate Visitor Parking** -- The Master Plan offers the opportunity to further enhance coastal access through the strategic location of additional visitor parking, expanding bicycle/pedestrian access, and providing transit access.
- Determine Mill Pond & Wetland Areas Uses -- The Mill Pond, as remediated, will require special planning and engineering, and facility or infrastructure improvements. The industrial ponds, wetlands, and potential restored creeks on the Mill Site will also require special planning and related engineering and facility or infrastructure improvements.
- 3. **Respond to Spatial Constraints** In addition to the constraints reflected in the formation of the Illustrative Plan, the Mill Site is subject to a range of development constraints that will need to be addressed as part of Master Plan preparation and implementation. These constraints include avoidance of areas actively needed for hazardous materials remediation, sea cliff erosion (related to sea level rise), archeological sites, soils conditions, wetlands, etc. These constraints will be mitigated or avoided as part of the Mill Site formal planning process.
- 4. Create an Internal Trolley Transit Circulation System -- The large size and linear configuration of the Mill Site, its eastern boundary comprised of the urban core of Fort Bragg, and the need to provide enhanced visitor coastal access may create an opportunity to provide a 'fixed guideway' rail system to move people around.



Hornberger + Worstell Mill Site | Fort Bragg CA

Illustrative Plan For Discussion In Progress 02.12.2025



## Fort Bragg Mill Site - Planning Documents Referenced

The following is a partial listing of the previously prepared Mill Site Planning documents.

- *Mill Site Specific Plan Preliminary Draft* (January 2012)
- Community's and City Council's Key Mill Site Reuse Issues (February 6, 2017)

Source: City Council Agenda Item Summary – Georgia-Pacific Mill Site Specific Plan and Reuse Process

• **Policy Goals** – California Coastal Commission (2018)

Source: California Coastal Commission Strategic Plan 2013-2018

- Fort Bragg Municipal Code Title 17 (CLUDC) Coastal Land Use and Development Code
- Coastal General Plan = Local Coastal Plan (LCP) •City Council Ad Hoc Committee Land Use Map (February 26, 2020)
- NHUDC Creek Daylighting Scoping Analysis Exhibits Exhibit 2: OUE-Lowland and Maple Creek Draft Conceptual Plan (March 5, 2015)
- **Preliminary Topographic Base Map** LACO Engineering / Surveyors (September 5, 2019)
- Project Plans for Retrofit of Mill Pond Dam Former Georgia-Pacific Wood Products Facility Slate Geotechnical Consultants (March 29, 2022)
- Remediation Report Exhibits Former Georgia-Pacific Wood Products Facility (Kennedy/Jenks Consultants):
  - OU-E Soil and Sediment Status
  - OU-E Groundwater Status
  - Drainage Areas and Discharge Points
  - Wetlands and Other Wet Environmentally Sensitive Habitat Area Central, Southern
  - Figure 1: Mill Site Soil and Sediment Land Use Controls
  - Figure 2: Mill Site Groundwater Land Use Controls

### Fort Bragg Millsite Master Development Agreement Process

The City of Fort Bragg (City) and the Mendocino Railway (MR) have tentatively agreed that a formal and cooperative 'master planning and development agreement' approach to further development of the Mill Site is in the interest of both parties, other property owners, and the City as a whole. As a part of pursuing this cooperative approach the parties have agreed to stay the pending litigation between them, to pursue settlement discussions, including with the California Coastal Commission, which is also an intervening party in the action.

Assembling such a cooperative approach will build upon the many years of planning, environmental review, remediation, infrastructure improvement, and development that has occurred as well as the current aspirations of MR and land use and policy objectives of the City. The master 'development agreement' approach recommended has been used successfully in complex development projects in California for decades. Development agreements (see Cal. Gov't Code § 65864 et seq.) are contractual agreements between a local jurisdiction and a developer(s) regarding a particular development project. Development agreements overlay standard planning and development regulations (zoning, etc.) adding a 'vesting' of development approvals (entitlement) and other considerations (public investments, etc.) by the local jurisdiction in trade for considerations and contributions from the developer that cannot be imposed through normal 'police power' development regulations or financing methods.

The proposed Mill Site Development Agreement -- given the complexities involved, will need to be approached in sequentially phased approach allowing planning and technical analyses, community engagement, negotiations, cooperation with other landowners in or adjacent to the Mill Site, and consultations with the regulating agencies in the mix including the California Coastal Commission, the Department of Toxic Substances Control (DTSC), tribal interests, etc.

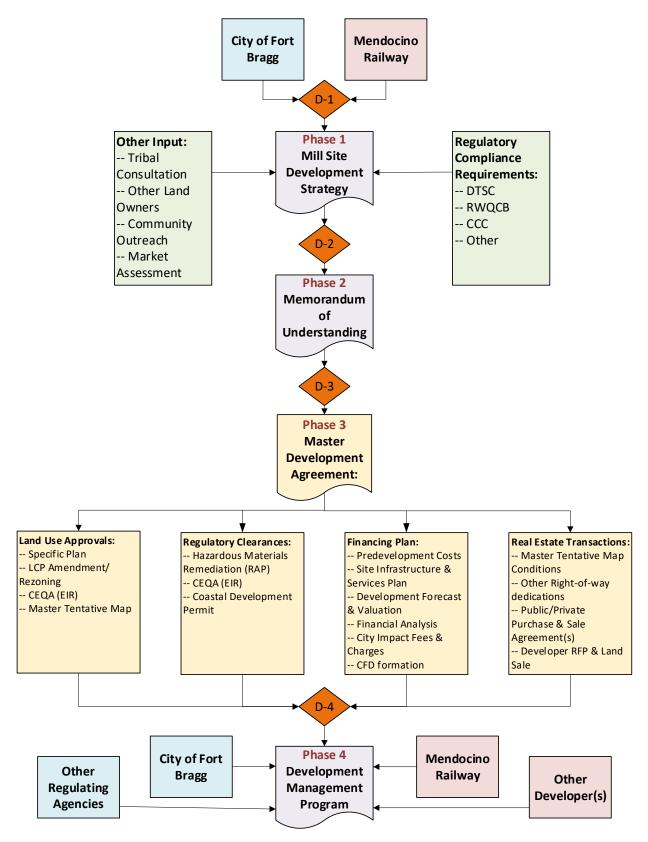
A conceptual illustration of such a phased approach to creating a Mill Site Development Agreement is shown on **Figure 1**. Our consultant, Walter Kieser, Senior Principal with the firm Economic & Planning Systems, has assembled this approach drawing upon his own and the firm's experience with such agreements for management of large-scale development projects and development financing. Mr. Kieser also brings his historical knowledge of the Mill Site stretching back now 20 years working for the City of Fort Bragg. The illustration remains a 'sketch' but provides an overall sense of how such a process could be structured.

The illustration shows four major phases of activity and agreement, each punctuated with a 'decision point' (D-1, D-2, etc.) where the parties would complete their respective tasks and obligations and agree to proceed to the next phase. Key to this approach is a 'stair-step' procedure that keeps efforts in their proper subordinated order, allowing the resolution of issues, building of confidence and certainty, and providing a milestone-based off-ramp if agreement is not reached.

#### Decision Point 1 – Agree to pursue a development agreement and stay pending litigation.

The proposed approach will require agreement between the parties to pursue a potential development agreement (as can be further detailed) in good faith and agree to stay pending litigation. This provisional agreement would authorize and further define the first phase of work. <u>Time frame: 14 days.</u>

### Figure 1 – Master Development Agreement Illustrative Flow Diagram



<u>Phase 1 – Millsite Development Strategy</u>. It will be necessary to 'get on paper' a generalized illustration of proposed land uses, existing and future ownership of land, and the location of the

basic infrastructure serving the Site (and City), including any rail-related improvements. This high-level illustrative plan, building on prior analysis and planning proposals for the Mill Site, would generally describe the development program envisioned, the actions needed to achieve the development program, including needed outreach and agency consultations, meeting all regulatory requirements, public and private infrastructure investments required, and how, given all of this, sufficient public and private values can be created. This information, and supporting definition of terms, rights, and responsibilities, will serve as the basis of a Memorandum of Understanding (MOU)between the two parties developed in Phase 2. <u>Time frame: 90 days</u>.

#### Decision Point 2 – Agree to Prepare a Memorandum of Understanding

The Development Strategy will disclose and determine how the interests of MR and the City, as well as the California Coastal Commission (CCC), can be met and a general reckoning of all the regulatory requirements, permitting, and investments that will be required. On the basis of this information, resolution of issues, and agreement, the basic terms of a potential DA can be outlined in a MOU.

Phase 2 – Memorandum of Understanding. The terms derived from the Development Strategy (and other sources) will be structured in a non-binding document that will allow formalization of terms, related evaluation (cost and feasibility analysis, etc.) and a wholistic view of the development program, its benefits (value creation, etc.) City actions and investments, landowner and developer actions and investments, and the necessary third-party regulatory requirements and how they will be met as part of the development process will be evaluated. An overall work plan and schedule for preparation of the DA and its referenced technical components would be developed and attached to the MOU, along with a funding agreement to pay for the process. Time frame 60 days.

## Decision Point 3 – Agree to Proceed with the DA and its Related Planning, Review, Financing, and Real Property Transactions

A Draft DA would be prepared early in Phase 3 based upon the MOU terms and related negotiations. Meanwhile, the substantive activities would be fully mobilized along with an agreement and commitment of funding to pay for preparation of the DA and its technical components. Settlement of the pending legal actions are proposed to occur as a component of the final approval of the DA.

**Phase 3** – <u>Development Agreement</u>. Assuming the MOU process yields an agreement to proceed with the more expansive planning, engineering, financing, and transactions, a formal DA can be initiated. It is during Phase 3 that the substantive components encompassed by the DA will be completed, building on the full breadth and depth of prior efforts. A full and detailed work program will be needed at this point as well as assembling the consultants and legal advisors needed to complete the respective plans, review, and analysis as needed to complete the four major components of the DA – 1) Land Use Approvals; 2) Regulatory Clearances; 3) Infrastructure Financing; and 4) any Real Estate Transactions (P&SA).

It is difficult at the outset to estimate the timeframe required to complete the DA and its four technical components, particularly given the requirements and influence of the regulatory agencies in the mix. However, the overall program, during each phase, will be structured to reveal and scope the various components and related regulatory actions, thus clarifying and expediting the schedule needed to complete the work. <u>Estimated time frame 18 months</u>.

### Decision Point 4 – Finalize and Adopt any DA

Following completion of the technical components and agreement to DA terms reflecting the technical work, regulatory requirements, feasibility testing, and execution of related agreements, a DA can be adopted, following the full public hearing process, by the City in a bundle with the development approvals, regulatory permitting, funding agreement and mechanisms, and related land transactions.

Phase 4 – Development Management Program. The terms of the DA will be played out over time including completing needed land use approvals, regulatory compliance clearances, assembling financing and related financing districts, if any, and crafting and completing any land purchases and sales, as infrastructure improvements, subdivision, and development proceeds. All of this will require creation of a project management team and a sustained, cooperative working relationship between the City, MR, landowners, the CCC and other regulatory agencies, and 'vertical' developers that may purchase developable land in the Mill Site, all as guided by the DA and the land use approvals. While it is difficult to forecast the vertical development stage, it will likely take many years to complete.

# City Council's and Planning Commission's Mill Site Reuse Guiding Principles (2019)

- 1. Establish a coastal park with a multi-use trail and other parks.
- 2. Create new job opportunities on the Mill Site.
- 3. Establish zoning for residential & visitor serving uses in the Northern District. Establish zoning for jobs in the Southern District (light industrial, education, visitor serving, R & D, and office space).
- 4. Provide for visitor services along Redwood Ave.
- 5. Establish an Urban Reserve to preserve part of the site for a future planning effort.
- Incorporate smart growth practices such as compact design, mixed-use development, and higher density residential development adjacent to the City's central business district.
- 7. Require sustainable development practices such as low impact development and green building.
- 8. Require high quality design for all development.
- 9. Retain public view corridors to the ocean.
- 10. Allow for daylighting of Maple Creek.
- 11. Extend the City street-grid onto the Mill Site.

## Fort Bragg Mill Site - Planning & Policy Objectives

## COMMUNITY AND CITY COUNCIL - KEY MILL SITE REUSE ISSUES (2017)

- 1. Extend City street-grid onto the site.
- 2. Retain views toward the ocean.
- 3. Create new job opportunities on the Mill Site.
- 4. Extend the downtown commercial district onto the Mill Site.
- 5. Establish a coastal park with a multi-use trail and other park amenities.
- 6. Zone for residential uses in the Northern District; Zone to extend the Central Business District; Zone to extend visitor serving uses; Zone for compact mixed-use residential development in the Central District; Zone for jobgenerating uses such as light industrial, education, and office space in Southern District;
- 7. Southern District Establish an Urban Reserve to preserve an area of the site for a future planning process and to allow future residents/City Council the opportunity to shape redevelopment of a portion of the site;
- 8. Implement sustainable practices in conjunction with future development on the Mill Site, such as low impact development, green building, storm water catchment, etc.;
- Incorporate "smart growth" practices such as compact design, mixed-use development, and higher density residential development adjacent to the City's Central Business District;
- 10. Incorporate high-quality design criteria for all development in the planning area;
- 11. Central District Daylight culverted Maple Creek.

Source: City Council Agenda Item Summar y – Georgia Pacific Mill Site Specific Plan and Reuse Process Pages 7-8 02.06.2017

### **POLICY GOALS – CALIFORNIA COASTAL COMMISSION (2018)**

### Three goals focus on core Commission policy concerns:

GOAL 1: Maximize Public Access and Recreation

**GOAL 2: Protect Coastal Resources** 

GOAL 3: Address Climate Change through Local Coastal Program Planning, Coastal Permitting, Inter-Agency Collaboration, and Public Education

Source: California Coastal Commission Strategic Plan 2013-2018

## Fort Bragg Mill Site - Remediation

- 1. The State of California Department of Toxic Substances Control (DTSC) is the lead agency with oversight of Mill Site Remediation.
- 2. The Mill Site is cleaned up, i.e., has been fully remediated, except for Operable Unit E (OU-E (the Mill Pond and associated wetland area).
- 3. As part of remediation land use covenants will restrict future uses in certain portions of Mill Site. These include:
  - Soil and Soil Vapor Restricted Areas (in vicinity of Skunk Train depot; south of Mill Pond).
  - Groundwater Restricted Areas (NW of Skunk Train depot; north of Cypress/west of north-south access road; southwest of Mill Pond)
  - Soil Restricted Area (southeast of Mill Pond)
- 4. Next Step for OU-E Remediation is the completion of the OU-E Feasibility Study Addendum
- 5. Subsequent implementation steps will include:
  - Prepare CEQA document
  - Complete OU-E Remedial Action Plan (RAP)
  - Permitting and Implementation of OU-E RAP
- 6. The community proposed 'daylighting' Maple Creek and Alder Creek on Mill Site that currently discharge to ocean through Mill Pond may lead to additional mitigation or remediation efforts.