



AGENCY: Planning Commission
MEETING DATE: 6/27/2018
DEPARTMENT: CDD
PRESENTED BY: Marie Jones
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AGENDA ITEM SUMMARY

TITLE:

**Receive Report and Provide Recommendation to City Council Regarding
Mill Site Reuse Plan: Build Out Analysis**

ISSUE:

Over the past six months, the Planning Commission, City Council and the Community have defined which portions of Chapters 1 through 6 of the Draft Mill Site Specific Plan should be retained and rolled into the Major Local Coastal Program (LCP) Amendment, and which should be discarded or modified. As direction has been provided, staff has worked to incorporate policies and regulatory language into the three components of the LCP, namely:

1. Land Use Zoning Map, which defines the uses that are permitted within a zoning district and the location of that zoning district (this is a map);
2. Land Use Policies, which are broadly written and interpreted by City Staff and the Planning Commission to define and describe development outcomes and conditions (this is the General Plan); and
3. Land Use Regulations, which are narrowly written and include strictly applicable requirements for the development of any Land Use (the Zoning Ordinance).

The following chapters of the Specific Plan which have been discussed and revised by the Community, the Planning Commission and the City Council as follows:

MSRP Chapter	Review & Direction Provided
• Land Use Plan	Refinement is ongoing
• Chapter 1: Vision, Guiding Principles & Land Use Plan	Completed, except for direction on extension of CBD onto the Mill Site.
• Chapter 2: Land Use Development Standards	Direction provided on all policies and regulations except for Open Space Land Use Table
• Chapter 3: Multi-Modal Circulation, Streetscape, and Stormwater	Initial direction provided, further direction pending transportation study
• Chapter 4: Sustainable Design Plan	Direction provided on all policies except for USGBC LEED requirement, which needs further

	discussion
• Chapter 5: Open Space, Parks, and Resource Conservation	Completed. Direction provided.
• Chapter 6: Hazards	Pending
• Chapter 7: Utilities and Public Services	Pending
• Chapter 8: Implementation and Phasing	Pending

At the June 11th City Council Meeting, the City Council directed staff to increase the amount of property that would be zoned for light industrial uses from seven acres to 14 acres and to increase the amount of property that would be zoned for heavy industrial uses from 22 to 32 acres. Council directed staff to reduce the amount of land in the Urban Reserve by 17 acres to accommodate the increase in land zoned for industrial use. Staff is seeking direction on the best way to accommodate this revised zoning on the site, and has prepared four Land Use Plan alternatives for the Planning Commission's consideration.

Staff is also seeking direction regarding the buildout analysis of the site. The purpose of this meeting is to obtain a confirmation that the amount of likely development, given the current land Use Plan configuration, is acceptable to the Planning Commission, and if it is not to make further adjustments to the Land Use Plan.

BACKGROUND:

As the background on this project is growing quite voluminous, staff has developed a summary of all workshops and City Council and Planning Commission meetings as a separate document which will be updated for each staff report (Attachment 1). Since January 2017, the City has held 21 community and City Council meetings and workshops regarding the Mill Site Reuse Plan.

ANALYSIS:

1. Overview of Community Input

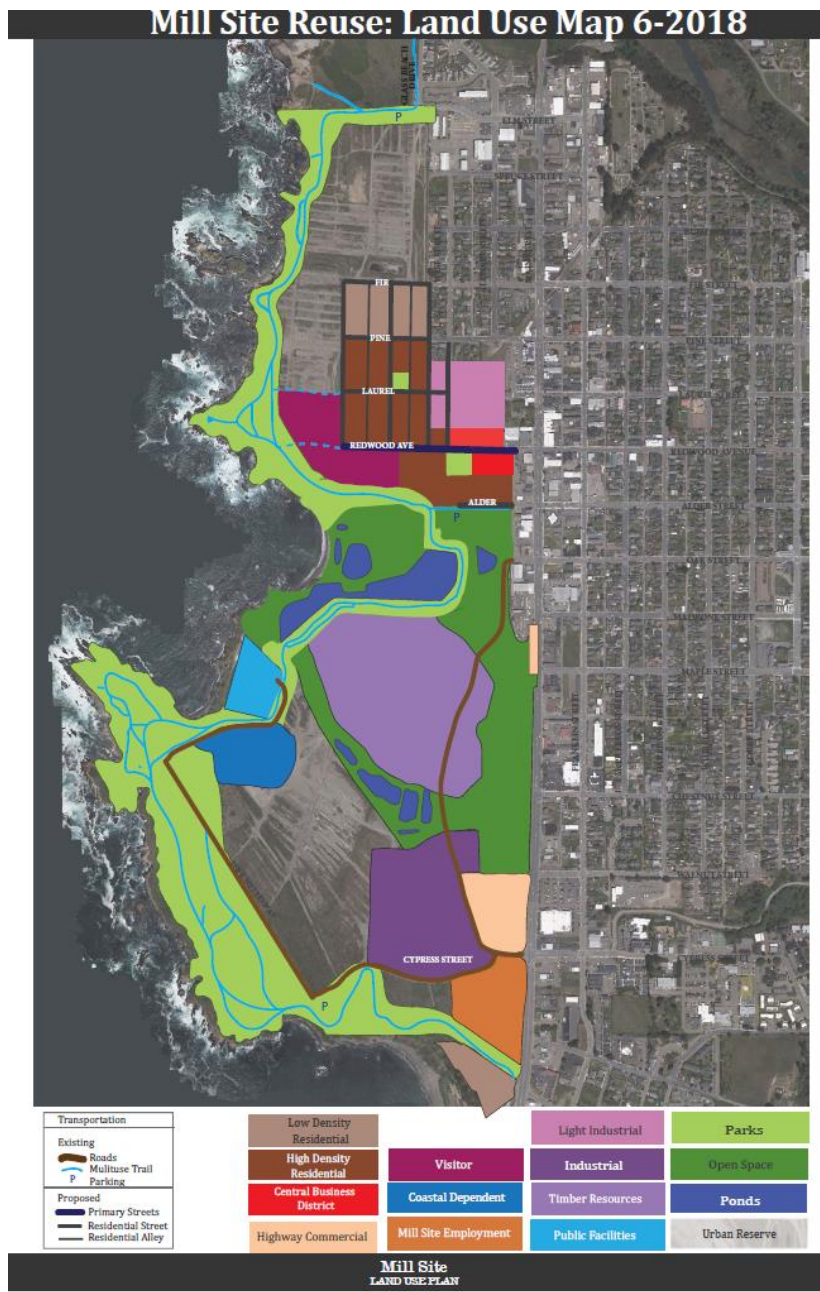
The Community survey included a question that asked respondents to prioritize four statements about the reuse of the Mill Site. As collated in Table 1, Fort Bragg residents gave a higher priority to creating new jobs and business on the Mill Site, than on creating more housing or open space. The current Land Use Plan dedicates much more land to open space than it does to jobs or housing.

Table 1: Fort Bragg Residents: Please prioritize the following statements about the reuse of the Mill				
	Priority 1	Priority 2	Priority 3	Priority 4
It is more important to add new businesses and jobs to our community	31.68%	22.38%	27.72%	18.22%
It is more important to get well designed and sustainable projects on the site	28.32%	35.94%	26.56%	9.18%
It is more important to build more housing for our community	21.21%	26.26%	24.24%	28.28%
It is more important to limit development and maximize open space	22.44%	15.16%	18.70%	43.70%

2. Overview of Land Use Plan & Proposed Revisions

A buildout analysis is an important decision making tool as it provides public officials and the community with an analysis of the maximum allowable development on the Mill Site, given the preferred future zoning map and selected development regulations, as well as the likely buildout given current development patterns and market conditions in Fort Bragg.

The community, City Council and Planning Commission have developed and fine-tuned a draft preferred Land Use Plan for the rezoning and reuse of the Mill Site as illustrated in Figure 1.



At the June 11th City Council Meeting the Council directed staff to increase the amount of property that would be zoned for light industrial uses from 7 acres to 14 acres and to increase the amount of property that would be zoned for heavy industrial uses from 22 acres to 32 acres. Council directed staff to reduce the amount of land in the Urban Reserve by 17 acres to accommodate the increase in land zoning for industrial use. Staff is seeking direction on the best way to accommodate this revised zoning on the site, and has prepared four Land Use Plan alternatives for the Planning Commission's consideration.

The Land Use Alternatives are attached in Attachment 2 and described briefly below:

1. **Land Use Map E1** extends the Light Industrial zoning by adding 7 acres to this district. In order to make room for the additional light industrial zoning, the high density and medium residential zoning was shifted to the west and north. This Land Use Map also extends the heavy industrial in the southern district immediately to the west by ten acres. This Land Use Plan has the potential to create more zoning conflicts between future light industrial uses and future surrounding residential and commercial uses. It could change the character of the extension of Redwood Avenue out onto the Mill Site to have a more industrial feel. Staff does not recommend this approach due to the introduction of potential land use conflicts.
2. **Land Use Map E2** extends the Light Industrial zoning by adding 7 acres to this district. In order to make room for the additional light industrial zoning, the high density and medium residential zoning was shifted to the north. This Land Use Map also extends the heavy industrial in the southern district immediately to the west by ten acres. Similarly to Map E1 this Land Use Plan has the potential to create more zoning conflicts between future light industrial uses and surrounding residential and commercial uses, although these conflicts would be less because the residential zoning would extend further to the north away from the extension of the light industrial. It does also allow for improved transportation connections as Glass Beach Drive would be extended south to Redwood Ave.
3. **Land Use Map E3** adds 5 acres of Light Industrial zoning directly to the west of Rossi's Lumber. This area already has a number of adjacent large light industrial uses (Rossi's & Holmes Lumber), and it is less likely to have a negative impact on adjacent residential uses. It could impact coastal trail users; however the proposed zoning would mostly be located adjacent to the Coastal Trail parking lot and so may not impact user experience too much. This Land Use Map also extends the heavy industrial in the southern district immediately to the west by ten acres.
4. **Land Use Map E4** changes the area zoned Timber Resource Industrial to Heavy Industrial Zoning and the City could allow lumber mills within this zoning designation. It also changes the area currently proposed for Heavy Industrial Zoning to Light Industrial Zoning. This proposed Land Use Plan would allow for the greatest flexibility in terms of accommodating heavy and light industrial zoning while providing for the potential of a future lumber mill. It would also retain the current amount of land dedicated to Urban Reserve and retain the cohesive feel of the Central District.

Staff recommends by priority order: Land Use Plan E4, E3 and E2.

3. Buildout Analysis

Buildout Vision

The City Council the Planning Commission and the community have formulated a vision for the reuse of the former mill site that includes a level of development, on the portion of the site that would be rezoned for commercial, industrial, and residential development, that is similar in level and intensity to development in the remainder of the City. Both the City Council and the Planning Commission have directed that the developed portions of the Mill Site should neither be more urbanized nor more suburban in character than the rest of the City. To achieve this end, both the City Council and the Planning Commission elected to apply existing city development standards (height limits, setback requirements, lot coverage, parking requirements, landscaping requirements and building massing (Floor Area Ratio) for each proposed zoning district on the Mill Site.

Land Use Changes

Table 1 below explores the changes in land zoned for residential, commercial, industrial, parks and open space uses as a result of the Mill Site rezoning process relative to the City current existing zoning. As illustrated in the Table 1, as a consequence of the rezoning:

1. The amount of land dedicated to all residential uses in Fort Bragg would increase 4% (33 acres) from 848 acres to 881 acres. However the amount of land dedicated to multifamily housing would increase 16% from 212 acres to 245 acres.
2. Overall the amount of land dedicated to commercial uses will decline by 63% (-301 acres) from 609 acres to 340 acres. This is because the 400 acre Mill Site which is currently zoned for industrial uses will be rezoned for a variety of uses.
3. The amount of land dedicated to parks and open space would increase 449% (157 acres), from 35 acres to 192 acres.
4. Likewise the amount of land that is vacant and undeveloped will increase from 125 acres to 200 acres.

This analysis illustrates that the proposed rezone of the Mill Site will significantly increase the amount and proportion of land that is dedicated to open space and commercial and industrial uses (except for timber resource uses). The plan will result in a minor increase in the amount of land dedicated to residential uses.

Table 1: Existing and Proposed Zoning, Proposed % Change in Zoning By land Use, Fort Bragg Mill Site Rezone, 2018								
	Existing Zoning City Wide		Proposed Zoning Mill Site		Proposed Zoning City Wide		Percent Change in Zoning City Wide	
Land Uses	Acres	% Existing City	Acres	% Mill Site	Acres	% Proposed City	Acres	% Change Total
Residential Total	848	49%	33	8%	881	50%	33	4%
Single Family	636	36%	0	0%	636	36%	0	0%
Multi-Family	212	12%	33	8%	245	14%	33	16%
Non-Residential Total	609	35%	130	33%	340	19%	-269	-44%
Commercial	130	7%	32	8%	162	9%	32	25%
Industrial	479	27%	98	25%	178	10%	-301	-63%
Harbor District	15	1%	0	0%	15	1%	0	0%
Planned Development	14	1%	0	0%	14	1%	0	0%
Public Facilities	100	6%	4	1%	104	6%	4	4%
Agricultural	0	0%	0	0%	0	0%	0	0%
Parks & Open Space	35	2%	157	39%	192	11%	157	449%
Vacant/Undeveloped Land	125	7%	75	19%	200	11%	75	60%
Totals	1,746	100%	399	100%	1,746	100%	0	100%

Build Out Methodology

Buildout analyses are completed in a variety of ways, and this analysis includes all three.

1. **Maximum Buildout.** Calculation of the maximum development amount that would be legally feasible given the proposed land use regulations which constrain development. These limitations include: height limits, setback requirements, lot coverage, parking requirements, landscaping requirements and building massing limitations (Floor Area Ratio). Attachment 3 includes a summary spread sheet and detailed excel analysis for this buildout analysis which is strictly by the numbers.
2. **Ultimate likely buildout.** Maximum buildout is rarely realized, as property owners typically seek to develop their property to meet their needs and market demand, which rarely correspond with the maximum allowable buildout for a parcel. Additionally all projects will have to go through Coastal Development Permit review, which often further restrains development to protect coastal resources such as rare plants, visual resources, coastal access, cultural resources, geotechnical limitations, etc. In order to approximate this more realistic buildout analysis, staff sampled existing developments in town, by zoning district, to get a sense of how current development projects might predict likely projects of the Mill Site. Thus, staff looked for average or typical actual Floor Area ratio (FAR) buildout on existing parcels and applied this to the proposed zoning area to determine the actual buildout. This analysis is Attachment 4.
3. **Likely Buildout by Timeframe.** This methodology utilizes the ultimate buildout number identified in buildout scenario 2 above and develops a likely development timeframe in five year increments, given current and likely market forces and past development trends.

Build Out Analysis Results

Maximum Buildout

As shown in Attachment 3 and as summarized in Table 2 below, the Maximum Buildout Analysis identifies the potential for significant new development on the Mill Site for Land Use Plan E. As illustrated in the table, the Land Use Plan has the potential to exacerbate the housing jobs imbalance in Fort Bragg. This is primarily because of the significant land that would be rezoned for various types of industrial development (heavy and light industrial and timber resources industrial).

Table 2: Maximum Development Potential For Land Use Plan E	
Total Parks and Open Space (acres)	270 Acres
Total Housing Units	693 Units
Total Jobs	3,781 Jobs
Jobs Housing Balance	5.5 Jobs/housing unit
Total Housing (Square Feet)	772,200 SF
Total Square Feet of Commercial, Hotel & Public Facilities	428,081 SF
Total Square Feet of Industrial Development	1,686,643 SF
Total Development	2,886,924 SF

Most Likely Buildout

As shown in Attachment 4 and as summarized in Table 3 below, the Most Likely Buildout Analysis identifies the potential for significant new development on the Mill Site for Land Use Plan E, although it is less than the estimate for the Maximum Buildout Analysis.

Table 3: Most Likely Development Potential For Land Use Plan E	
Total Parks and Open Space (acres)	270 Acres
Total Housing Units	531 Units
Total Jobs	2,389 Jobs
Jobs Housing Balance	4.5 Jobs/housing unit
Total Housing (Square Feet)	634,200 SF
Total Square Feet of Commercial, Hotel & Public Facilities	504,702 SF
Total Square Feet of Industrial Development	707,894 SF
Total Development	1,846,796 SF

It is interesting to note that the Mill Site had approximately 470,000 sf of industrial buildings prior to its closure. So the net new potential total development could be up to 1.4 million SF.

Likely Buildout By Timeframe

As illustrated in Table 4 below, the actual rate of development in Fort Bragg is very slow. Given the housing shortage in the community and the challenges to economic development in Fort Bragg the projected job and business growth will be slow and less than estimated above. Table 4 includes a realistic buildout scenario given current and anticipated future market conditions and past market performance. As noted in Table 4 the rate of buildout would be slower than anticipated with much of the potential development unrealized even by 2050. Indeed through 2050, the market would support only about 135,000 SF of Commercial development, 132,000 SF of institutional development, and 80,000 sf of industrial development.

Table 4: Mill Site and City Development Projections 2012-2045									
Year	2020	2025	2030	2035	2040	2045	2050	Total Market Support	Total Possible
Mill Site Specific Plan Area									
Residential - Medium Density	4	15	15	30	15	15		96	96 Units
Residential - Multifamily	-	100	100	75	50	50	25	400	420 Units
Commercial	-	30,000	15,000	30,000	15,000	30,000	15,000	135,400	165,659 SF
Institutional, Health Care, Hospitals, Schools...	-	20,000	80,000	10,000	5,000	12,000	5,000	132,000	243,748 SF
Hotel	-	110	60	120	60	60	60	470	558 Rooms
Industrial	-	25,000	25,000	10,000	5,000	10,000	5,000	80,000	707,894 SF
Rest of City of Fort Bragg									
Residential - Single Family	30	75	75	75	75	75	75	480	Units
Residential - Multifamily	45	50	50	50	30	30	30	285	Units
Commercial	30,000	30,000	15,000	20,000	15,000	20,000	20,000	150,000	SF
Institutional, Health Care, Hospitals, Schools...	3,000	8,000	4,000	8,000	4,000	8,000	4,000	39,000	SF
Hotel	-	45	-	30	-	45	-	120	Rooms
Industrial	3,000	5,000	2,000	4,000	2,000	4,000	2,000	22,000	SF
Entire City of Fort Bragg									
Residential - Single Family	34	90	90	105	90	90	75	576	Units
Residential - Multifamily	45	150	150	125	80	80	55	685	Units
Commercial	30,000	60,000	30,000	50,000	30,000	50,000	35,000	285,400	SF
Institutional Health Care, Hospitals, Schools...	3,000	28,000	84,000	18,000	9,000	20,000	9,000	171,000	SF
Hotel	-	155	60	150	60	105	60	590	Rooms
Industrial	3,000	30,000	27,000	14,000	7,000	14,000	7,000	102,000	SF

Given this time realistic buildout scenario, staff recommends either reducing the amount of land dedicated to industrial uses and/or combining industrial use types (such as heavy industrial and timber resources industrial) in order to better balance the jobs and housing scenario. Staff recommends Land Use Map E4 for this purpose.

RECOMMENDED ACTIONS:

Provide direction to staff to regarding the following:

1. The anticipated realistic level of development given market conditions;
2. Any further recommended limitation of development (FAR or height limits); and/or
3. Further modification of the Land Use Plan given the build out scenario.

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 \$100,000 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 and LCP Amendment, staff will prepare a fiscal analysis to identify if the overall Mill Site Reuse will have a net positive fiscal impact on Fort Bragg.

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:

1. Prepare a preferred Land Use Plan for the LCP amendment for rezoning of the Mill Site.
2. Revise the 2012 Specific Plan policies and regulations for inclusion in the LCP amendment application. This is a large task and will likely be completed by the end of the summer.
3. Determine the "maximum buildout" scenario for the proposed Land Use Plan based on development regulations (height limits, parking requirements, floor area ratios, lot coverage, open space requirements and setbacks) for each zoning district.
4. 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.

5. 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. Buildout analysis;
 - b. Analysis of the City's capacity to serve future development, including: water, sewer, police, fire, emergency medical, schools, dry utilities, public transit, etc.;
 - c. Summary of current lower cost visitor serving facilities, including: room inventory, revenue per available room, occupancy rates, etc.;
 - d. 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;
 - e. Impact of sea level rise/bluff vulnerability on future development under the proposed Land Use Plan;
 - f. Impact of the Mill Site buildout on climate change;
 - g. Tsunami study;
 - 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.

While the Coastal Commission staff initially indicated that a botanical and wetland study update would be required for the Land Use Plan for non-paved areas of the site, they have since determined that if each parcel on the site includes a developable area (that is covered in pavement) than a botanical and wetland delineation would not be required at this time, but would instead be required at the time of development.

6. 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.
7. 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. Summary of past Workshops & Planning Commission and City Council direction
2. Land Use Plan Alternatives E1 through E4
3. Maximum Buildout Analysis
4. Realistic Buildout Analysis

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. Dave Massengill, Georgia-Pacific Corporation

8. Sherwood Valley Band of Pomo Tribal Chairman Mike Knight & THPO Tina Sutherland
9. Cristin Kenyon, California Coastal Commission