



AGENCY: Planning Commission
MEETING DATE: May 21, 2019
DEPARTMENT: Community Development
PRESENTED BY: Marie Jones
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AGENDA ITEM SUMMARY

TITLE: Receive Report and Make Recommendations to City Council Regarding Revisions to the Land Use Plan for the Mill Site Reuse Plan Local Coastal Program (LCP) Amendment.

ISSUE:

Since 2017, the Planning Commission, City Council and the Community have participated in 27 meetings to develop a Local Coastal Program (LCP) Amendment for submittal to the Coastal Commission. Staff has developed a summary of all workshops and City Council and Planning Commission meetings and the direction that has been provided (Attachment 1). Staff has attached the Mill Site Reuse Plan Community Survey Report (Attachment 2), so that new City Council and Planning Commission members can be well informed about the community participation and input process to date.

Staff has worked over the past 19 months to incorporate the City Council and Planning Commission's vision, priorities and direction into the Land Use Plan, policies and regulatory language, which together comprise the three components of the Local Coastal Program (LCP) amendment.

Staff is seeking direction regarding the location and quantity of acres that would potentially be rezoned through the adoption of a Land Use Plan for the Mill Site. This staff report provides an overview of how each land use is supported by community sentiment, a market analysis, policy priorities of the community and City Council and water supply. The staff report also includes some recommended revisions to the Land Use Plan based on these factors.

Please note that this topic will be stretched over as many Planning Commission meetings as necessary for the Commission to come to a recommendation with which you are comfortable. Staff recommends that this meeting be viewed as an opportunity to ask good questions, familiarize yourself with the policy objectives of the reuse plan, market support for the various uses and water availability. Please review the sample Land Use Plan alternatives that staff has prepared based on past input from the public, City Council and Planning Commission. The Planning Commission could use these alternatives as a starting point for dialogue or we can start from scratch.

Staff will utilize input from this meeting to create one or two final alternative Land Use Plans for further consideration at the Planning Commission meeting on Wednesday June 12th.

ANALYSIS:

1. OVERVIEW OF COMMUNITY INPUT

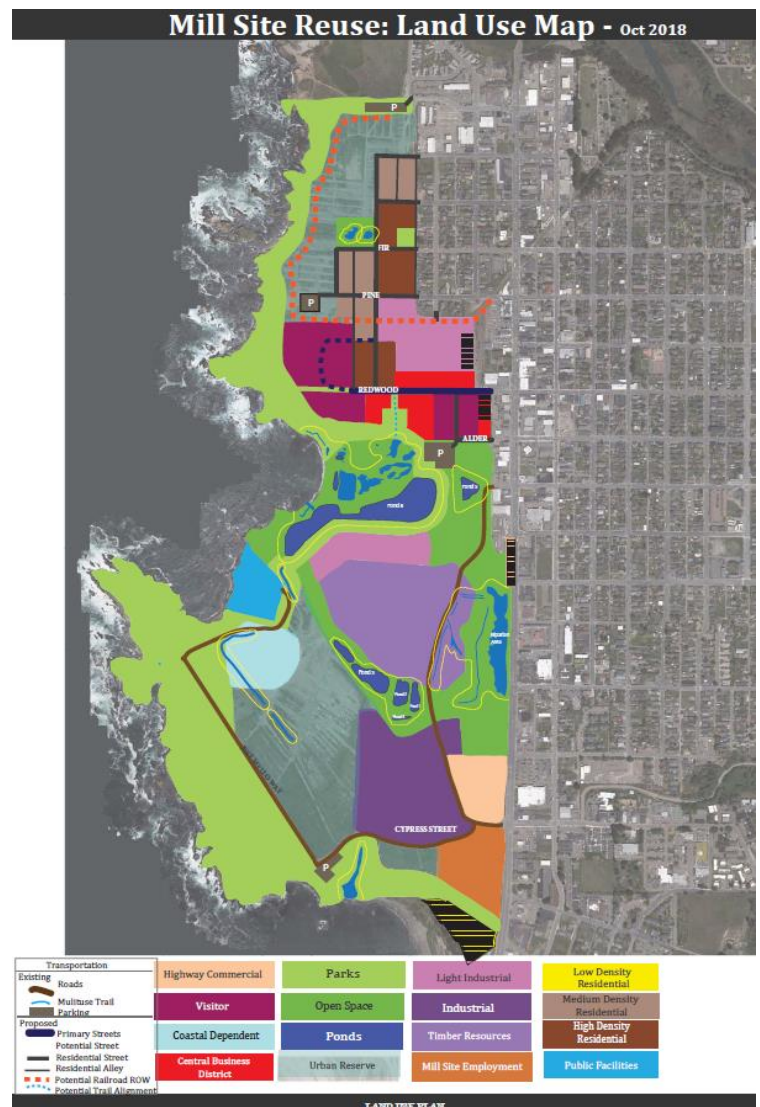
As a reminder, the Community Survey, completed by over 1,000 residents, included a question that asked respondents to prioritize four statements about the reuse of the Mill Site.

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%

As collated in Table 1, Fort Bragg residents placed higher priority on new jobs and business creation on the Mill Site, than on more housing or open space. The current Land Use Plan dedicates 56% of the site to open space, 23% of the site to jobs, 7% to housing and 14% to public rights of way. The survey summary has been added as Attachment 2 to this staff report.

DRAFT LAND USE PLAN

The draft proposed Land Use Plan received approval from the previous City Council. In January of 2019, the current City Council was seated and the reconfigured and staff is seeking direction from the new City Council regarding any changes sought for the Land Use Plan.



PROPOSED LAND USE (ACRES)

Over the next 30 years, the rezoned Mill Site will slowly redevelop with a mix of residential, commercial, industrial, and visitor-serving development based on: market conditions (sales and rental rates), the cost of infrastructure, the cost of construction, community sentiment and the regulatory environment. Table 2 analyzes how the rezone would change the City's overall land inventory (acres) and the Mill Site inventory in terms of land dedicated to each zoning district. It also analyzes the proposed change in land use as a percent of the Total acreage in the City.

Table 2: 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		Proposed Change in Land Area (SF)	
Zoning: Land Uses	Acres	% Existing City	Acres	% Mill Site	Acres	% Proposed City	Acres	% Change Total
Total Undevelopable	209	11%	250	58%	459	25%	250	120%
Open Space (OS)	119	6%	79	18%	198	11%	79	66%
Parks & Recreation (PR)	90	5%	97	22%	187	10%	97	108%
Urban Reserve (UR)	0	0%	74	17%	74	4%	74	NA
Industrial	521	28%	72	17%	175	10%	-346	-66%
Heavy Industrial (IH)	56	3%	26	6%	82	5%	26	47%
Light Industrial (IL)	48	3%	20	5%	67	4%	20	42%
Timber Resources Industrial (IT)	418	23%	26	6%	26	1%	-392	-94%
Commercial	291	16%	51	12%	342	19%	51	18%
Central Business District (CBD)	51	3%	9	2%	59	3%	9	17%
Highway Commercial (CH)	104	6%	8	2%	113	6%	8	8%
Other: (V), (MSE), (CD)	136	7%	34	8%	170	9%	34	25%
Residential Total	649	35%	24	6%	673	37%	24	4%
Single Family (RL)	389	21%	5	1%	394	22%	5	1%
Multi-Family (RM, RH, RVH)	260	14%	19	4%	279	15%	19	7%
Public Right of Way¹			31	7%			NA	
Harbor District	4	0%	0	0%	4	0%	0	0%
Public Facilities	159	9%	5	1%	164	9%	0	0%
Totals	1,833	100%	433	100%	1,817	100%	433	100%
Square Miles	2.85		0.67		2.82		0.67	

Notes: 1. Rights of way are not calculated by GIS, so no comparable data is available for the City as a whole.

In summary adoption of the current Land use Plan would result in:

- **Parks & Open Space.** Upon approval of the rezoning, the amount of land in the entire City dedicated to parks, open space and urban reserve would increase by 120%, from 209 acres to 459 acres. A total of 250 acres or 58% of the Mill Site would be dedicated to parks, open space and urban reserve.

- **Industrial Zoning.** The amount of land dedicated to industrial uses would decline by 66% (-346 acres) from 521 acres to 72 acres, as 413 acres of Timber Resources Industrial would be rezoned for a variety of uses. The Land Use Plan would result in the retention of 72 acres (17% of the Mill Site) for industrial uses (timber resources, light industrial and heavy industrial).
- The overall amount of land dedicated to commercial uses would increase by 12% (51 acres) from 291 acres to 342 acres. The greatest growth (24 acres) would be in the “other category” which includes three new zoning districts, namely: Ocean Dependent, Mill Site Employment, and Visitor.
- The amount of land dedicated to all residential uses in Fort Bragg would increase 4% (24 acres) from 649 acres to 673 acres. Six percent of the Mill Site would be dedicated to housing.
- The total acreage dedicated to each land use now excludes land dedicated to public rights of way, which include streets, alleys, sidewalks and trail. The amount of land dedicated to rights of way would be seven percent of the site, or 31 acres for streets, alleys & sidewalks.

The charts below graphically illustrate the proposed zoning changes. Figure 1 illustrates the portion of land that is dedicated to each new zoning district on the Mill Site. Overall 35% of the site will be rezoned for commercial, industrial and residential development, the remaining 70% will be reserved for parks & recreation, open space, urban reserve and public rights of way.

Question 5 below illustrates the community’s sentiment on this topic as captured through the Mill Site survey.

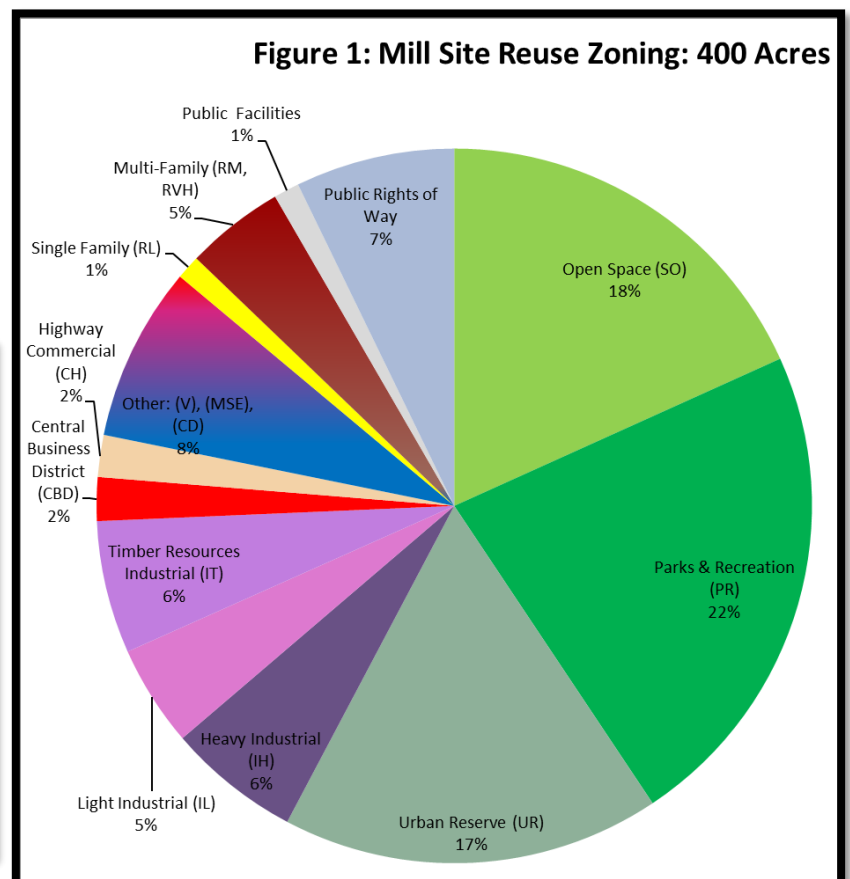
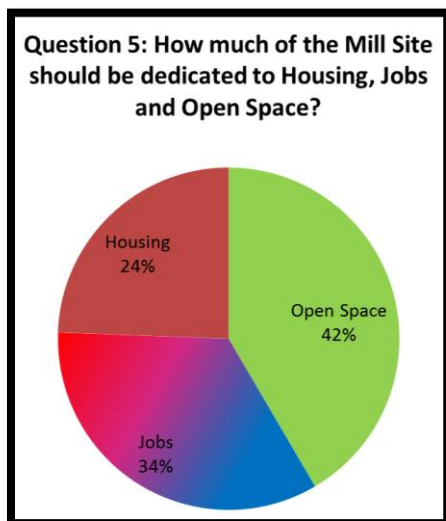
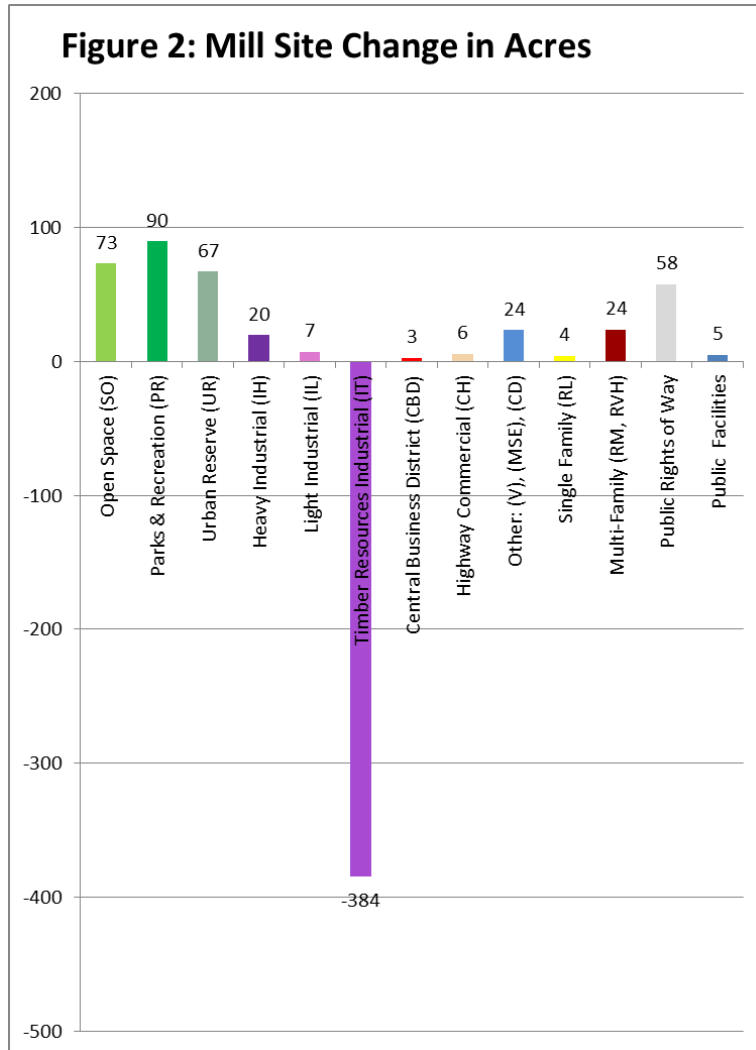


Figure 2 illustrates the net change in zoning districts (in acres) for the Mill Site. It clearly illustrates the significant loss in Timber Resources Industrial zoning and its replacement with a mix of zoning districts.



The proposed rezone of the Mill Site would significantly increase the citywide amount and proportion of land that is dedicated to parks and open space, slightly increase the land zoned for commercial and industrial uses (except for timber resource uses), and result in a very minor increase in the amount of land dedicated to housing.

2. RECONSIDERATION OF THE LAND USE PLAN

The Planning Commission may want to reconsider proposed zoning for portions or all of the Mill Site. Staff has provided some tools below to help inform you in your deliberations. Key features to consider as you think through the Land Use Plan include:

1. Market Support. How much market support and long term demand is there for the proposed land uses and zoning districts. Is there too much land dedicated to some zoning districts? Maybe not enough dedicated to others?
2. Policy Goals. Not all land uses achieve all policy goals. For example, hotels provided needed City revenues while industrial property provides needed employment. Staff has prepared a draft policy outcomes table that illustrates which zoning districts achieve which policy goals.
3. Compatibility of Different Land Uses. In general, residential neighborhoods are not compatible with industrial activities. Some separation is smart between these different zoning districts.
4. Water Demand. The new city reservoir has significantly reduced the City's water constraint. There are many ways to look at water use and buildout and staff has summarized the results of three different methodologies for the Planning Commission's education and information.

This staff report explores all of these complexities in more detail below.

ECONOMICS OF LAND USE PLAN

The City hired Economic Planning Systems (EPS) in 2005 to complete a market analysis in order to identify market support for new development ideas for the Mill Site. The goal of the analysis was to ensure sufficient market demand and support for the proposed Specific Plan Land Use Plan. That study is attached as Attachment 3.

The study includes the following key findings, which remain germane today:

- The market support for new hotels and residential development is high and these two development types form the primary "market making" component of the Mill Site reuse and provide the most value to the redevelopment process.
- The market analysis identified strong market support for up to 400 units of new housing, 220+ hotel rooms, 50,000 SF of retail, 30,000 SF of office, 20,000 SF of light industrial and 36,000 SF of other uses.

Clearly portions of the economy have changed since this study was completed; for example, the demand for generic retail space has declined due to market saturation by internet-based retailing, while the demand for industrial space has increased as many businesses are actively seeking industrial space in Fort Bragg (North Coast Brewing Company, cannabis manufacturing, etc.). However, overall the general tenants of the market report remain true today. The market primarily supports new hotels and residential development on the Mill Site, because this is where demand is greatest for new development. Other uses of the site will depend on specific businesses holding an interest in relocating to Fort Bragg or within Fort Bragg to the Mill Site. At this time a number of businesses have expressed an interest in relocating to the Mill Site including: North Coast Brewery Company, The Skunk Train, Harvest Market, Savings Bank of Mendocino, Sport Chrysler, Jeep, Dodge and others.

Based on past trends, the current Land Use Plan will zone for two times as much industrial and commercial land as is likely to be absorbed over the next 30 years. The Land Use Plan provides appropriate zoning for residential and hotel development. The Planning Commission should decide if you want to zone for more industrial and commercial capacity than is likely to be needed over the next 30 years. If City Council directs, staff can complete an update to this market analysis. This would be a significant work effort which could illuminate additional information to the City Council.

LAND USE PLAN POLICY OBJECTIVES

The proposed land uses in the Land Use Plan meet various policy objects for the community as generally summarized in Table 3 below.

- Four of the land uses form the primary market for the redevelopment of the site, and these include: visitor, residential, highway commercial and light industrial. There is strong market demand for these land uses that can support the costs associated with reuse of the site, including developing needed infrastructure and responding to the relatively high cost of construction in Fort Bragg.
- Some land uses will result in increased tax revenues for the City of Fort Bragg, primarily uses associated with Visitor (TOT) and Highway Commercial (sales Tax).
- Other zoning districts will create opportunities for quality jobs (Light Industrial, Mill Site Employment, Heavy Industrial, Timber Resources Industrial and Urban Reserve's Big Idea.
- Only two zoning districts will contribute to solving the City's housing crunch, namely residential and Central Business District.
- Additionally five zoning categories meet Coastal Act requirements for priority coast uses.

Table 3: Policy Objectives Mill Site Reuse Plan

Zoning	Policy Objectives						Coastal Act Priority Use
	Enhance Market	Increase Tax	Create Quality	Expand Housing	Increase Visitor	Provide Community	
	Value	Revenues	Jobs	Options	Experience	Amenity	
Primary Market							
Visitor	XX	XX			XX	X	XX
Residential	XX			XX			
Highway Commercial		XX			X	X	X
Light Industrial	X	X	XX				
Subordinate Market							
Central Business District				X	X	X	X
Mill Site Employment		X	XX				
Heavy Industrial			X				
Timber Resources Industrial			X				
Urban Reserve - Big Idea	X	X	XX			X	
Coastal Dependent					XX	XX	XX
Public Open Space					X	XX	X
Source: Community Development Department, 2019							

The Planning Commission may want to use these policy objectives, consider which policy objectives matter more to the future of the community, and make recommendations to revise the Land Use Plan accordingly. Staff recommends a balanced approach focused on enhancing the market value of the site, creating quality jobs, expanding housing, increasing tax revenues and providing community amenities. Based on these priorities, the Land Use Plan should include at a minimum zoning with the following designations: Visitor, Residential, Light Industrial, Urban Reserve, Highway Commercial and Open Space. Less critical zoning categories include: CBD, Mill Site Employment and Timber Resources Industrial zoning districts.

BUILDOUT ANALYSIS & WATER USE

Purpose

Staff completed a Buildout Analysis to identify how much development could occur given the Land Use Plan and proposed zoning changes. The buildout analysis has two primary purposes:

1. To identify maximum buildout, likely buildout, and a realistic timeframe for buildout, so that the community, the City Council and Planning Commission can discuss the potential for development and make any desired adjustments to the proposed Land Use Plan and/or development standards (Floor Area Ratio, Lot Coverage) to reflect the Council's and Commission's goal's and vision for the ultimate level and amount of development on the site.
2. The buildout analysis is also used to quantify public service needs (police, fire, hospital, school) and utility (water, sewer, stormwater drainage, solid waste, transportation) for the site. The final Buildout Analysis will be used by various consultants to complete analyses of the potential impact of the proposed rezoning and LCP Amendment on the environment and by the Coastal Commission to process the LCP amendment.

The completed buildout analysis was shared with the City Council last fall and is attached as Attachment 4. This staff report and workshop uses the Buildout Analysis to frame the discussion around the impact of buildout on water demand and supply and revisions to the Land Use Plan. The staff report specifically explores water demand to determine if the City has sufficient water to serve maximum buildout of the Land use Plan.

The Public Works department has developed a comprehensive water model to determine how much new development can be accommodated within the City given the additional water storage which has been added to the City's water system in the past four years. Two large new water storage features have been added, namely Summers Lain Reservoir (15 million gallons) and the new treated water tank (1.5 million gallons). The City diverts water from three water sources, and in extreme drought conditions (once every 50 years) there may not be enough water in these surface water sources to serve demand. The new water storage facilities are intended to supplement water supply when the City surface water sources may have less supply. The analysis by Public Works has determined that even in a 50 year drought, the new water storage facilities would allow the City to serve an additional 65 to 75% increase in water demand over current (2018) water demand. In other words, the City can accommodate an additional 65% increase in new development.

BUILDOUT & WATER DEMAND METHODOLOGY

The Coastal Commission required the City to complete two different buildout analysis for the Land Use Plan:

1. **Maximum Buildout & Water Analysis for the Entire City.** Calculation of the maximum development amount includes utilization of development regulations to define the maximum legally feasible development given all zoning and parcels in the City of Fort Bragg. This is a theoretical buildout which will never be reached as most of the City is covered in existing development. The maximum buildout can be thought of as if a huge earthquake or tsunami were to destroy all buildings in Fort Bragg, and if every property owner then built out their properties to the maximum extent allowed by the zoning ordinance – e.g the maximum building height, number of stories, and building massing achievable given regulations. The maximum buildout will never be realized as development projects are influenced significantly by market support, user goals, aesthetics, regulatory requirements and the discretionary planning permit review process. The maximum Buildout includes all potential development both on and off the Mill Site after the rezoning. Likewise, the water analysis includes the increase in water consumption based on this buildout. This analysis is in Attachment 5.
2. **Maximum Buildout and Water Demand Analysis for all Coastal Dependent Uses in the City.** This analysis is similar to the above analysis but limited to only coastal dependent uses which include: Highway Commercial, Ocean Dependent and Visitor Serving Zoning districts. Again the assumption with the buildout is that there must be sufficient water to serve maximum coastal dependent development throughout the City. The Coastal Commission has requested this buildout scenario in order to require a General Plan policy that would reserve water storage capacity for coastal dependent uses. This analysis is in Attachment 6.

The City will want to ensure that it was sufficient water to serve the realistic buildout of all vacant and very underutilized lots in the City as well as a realistic buildout of all development on the Mill Site and so the City has also completed the following buildout analysis for City Council's information.

3. **Maximum Buildout of Vacant City Parcels & Land Use Plan.** This analysis examines the maximum buildout of all vacant city parcels, given past and present development trends and maximum buildout of the Mill Site Land Use Plan. This analysis, while unlikely to be realized, provides a realistic "worst case" scenario of the development of vacant parcels both on and off the Mill Site. The worst case scenario development is then translated into net new water demand for maximum new development on and off the Mill Site. This analysis is in Attachment 7 and represents a worst case analysis of future buildout and water use.

It is important to remember that each buildout analysis is based on assumptions and standard industry multipliers. None of the buildout scenarios is a perfect predictor of the future. However, the "Realistic Buildout by 2050" is grounded in market predictions and thus is the most realistic. Assumptions are noted in the notes section of each buildout scenario.

BUILDOUT AND WATER DEMAND ANALYSIS RESULTS

Analysis 1: Maximum Buildout & Water Demand for the Entire City

As shown in Attachment 5, the Maximum Buildout Analysis would result in a very different City that we currently inhabit. Overall there would be a 144% increase in water use if every parcel within the

City, except for the Mill Site was built out to the maximum available centimeter. If the maximum buildout of the current Mill Site Land Use Plan is included total water demand would increase by an additional 26% for a total water use increase of 170% over current water use.

As previously mentioned, maximum buildout would never happen in the real world, as it would require the destruction of the existing built environment and redevelopment at maximum buildout. In real life development is influenced by a wide variety of factors including: the market value of existing structures verses the cost of replacing those structures, market support, the vision and business needs of the property owner, the availability/cost of capital to finance development, limitations on development due to the presence of coastal resources on the property (rare plants, cultural resources, public access, etc.), limitations placed on development through CEQA mitigations (due to water availability, visual resources, traffic impacts, etc.) and limitations placed on a project through the permitting process.

The maximum development scenario is an intellectual exercise. It is not “real world.” Unsurprisingly the City does not currently have sufficient water storage to serve the hypothetical maximum buildout scenario either on or off of the Mill Site. City staff informed the Coastal Commission of the results of the buildout scenario, and the Coastal Commission staff requested that the City complete this same analysis for Coastal Dependent uses only which is completed in Analysis 2 below.

Analysis 2: Maximum Buildout and Water Demand Analysis for Coastal Dependent Uses in the Coastal Zone

Analysis 6 has been prepared so that the Coastal Commission could insure that there is sufficient water storage capacity to serve all potential future development potential of every square inch of property which is zoned for coastal dependent uses within the Coastal Zone. The Coastal Commission is primarily concerned with insuring that the public has access to coastal dependent uses, which include: Visitor, Highway Commercial, Open Space and Harbor zoning districts. As illustrated in Attachment 4 maximum buildout of these zoning districts in the Coastal Zone would result in a 8% increase in water use. Maximum buildout of these zoning districts on the Mill Site would result in a 10% increase in water use for a total maximum increase in water use of 18% over existing water use. If the Coastal Commission requires the City to preserve sufficient water storage to ensure the maximum buildout of all Coastal Dependent uses (in the Coastal Zone), there would be water capacity to accommodate an additional 60% increase in water demand from other development in the Coastal Zone. A water reservation policy could be worded as one of the policies below:

Sample Water Policy X: Preserve Water Storage Capacity for Coastal Dependent Uses. Eighteen Percent (X gallons/day) of water storage capacity shall be reserved for Coastal Dependent Uses within the Coastal one. As new coastal dependent development occurs, the amount of water used by the new development shall be subtracted from reserved water capacity.

Sample Water Policy Y: Non-Coastal Dependent uses may only be approved if sufficient water for full buildout of all Coastal Dependent uses. Prior to approval of any new non-coastal dependent development within the coastal zone, the review authority must first determine that the City has sufficient water storage to serve maximum buildout of all Coastal Dependent zoning districts within the Coastal Zone (Highway Commercial, Visitor, Open Space, Coastal Dependent and Central Business District).

Analysis 3: Maximum Buildout of Vacant Parcels & Maximum Buildout Mill Site

Attachment 7 is an analysis that has been developed so that City Council can ensure that there is sufficient water to serve maximum future development needs both on and off the Mill Site. As shown in Attachment 5, the analysis applies maximum permissible development to vacant parcels throughout Fort Bragg and to the vacant the Mill Site parcels by zoning district per the Land Use Plan (10-2018). If each vacant parcel in the City is developed to the maximum level of development feasible (per each zoning district), the buildout of all vacant parcels would result in a 12 percent increase in water use. If each Mill Site parcel is developed to the maximum level of development, the buildout would result in a 24 percent increase in water use or a **total 36% increase in water use**.

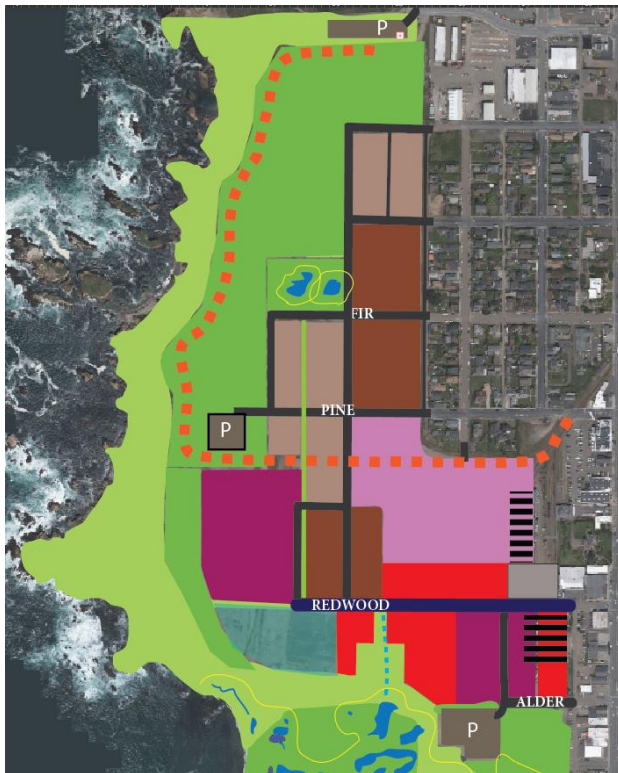
This water demand analysis illustrates that the reuse of the Mill Site per the current Land Use Plan can be accommodated given current water storage and water rights, which would allow a conservative 65% increase in water use.

3. LAND USE PLAN ALTERNATIVES

The Land Use Plan has been revised multiple times over the past 22 months, per Council and Planning Commission direction. In total the Land Use Plan has gone through at least ten significant revisions in response to direction received from the City Council and the Planning Commission. This is an opportunity to reopen this discussion so that the new Planning Commission can weigh in on policy priorities.

ALTERNATIVE 1 - NORTH MILL SITE OPEN SPACE CORRIDOR

Open Space Corridor



Existing Plan



The LUP modification would result in the following general policy implications:

Switch Urban Reserve to Open Space. This revision would change the zoning for a 24-acre area from Urban Reserve to Open Space. The total amount of urban reserve on the Mill Site would drop for 67 acres to 43 acres. Zoning this area as open space may not result in the development of a public park because the property is privately owned. For it to become a public park the City would need to be purchase it from the property owner at fair market value. This additional open space would result in 20 more acres of land dedicated to Coastal Dependent uses, which would please the Coastal Commission. Additionally, the area currently zoned as Urban Reserve provides limited development opportunities due to resource challenges (arch sites) in this area. This change would not have an impact on housing or jobs in the near term.

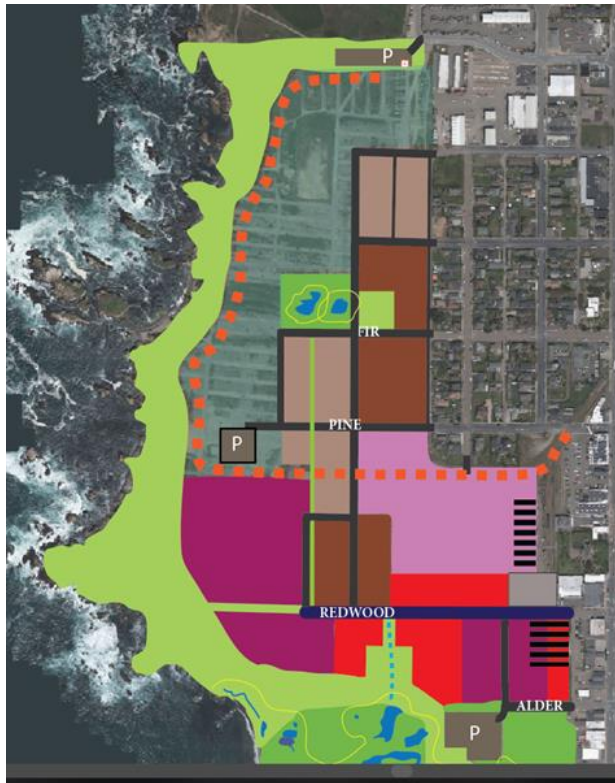
Policy Implications of Increasing Open Space zoning	Policy Area
Net increase of 24 additional acres of open space (from 68.4 to 92 acres).	+ Community Amenity
Net increase of 20 acres for Coastal Act priority uses.	+ Coastal Act Priority Use
Possible wildlife corridor for animals and birds that may travel from Glass Beach to the Mill Pond area.	+ Coastal Act Priority Use
Protects cultural resources sites	+ Coastal Act Priority Use
If open space is transferred to City, increase maintenance costs \$50,000/year.	- Fiscal impact

Reduce Visitor zoning. The area dedicated to Visitor (hotel) zoning would be reduced from 17.5 acres to 11.5 acres. The elimination of the Visitor zoning at the south end of redwood would eliminate the best hotel site on the Mill Site. It would also result in relatively little development value for the eventual owner of the largest parcel on the site (150 acres), which stretches the south side of Redwood all the way to the Cypress Street gate. This change would result in 30 fewer jobs and unrealized revenues of \$300,000 in Transient Occupancy Taxes.

Policy Implications of Reducing Visitor Zoning	Policy Area
30 fewer hotel jobs. Total Mill Site hotel jobs would decrease from 78 to 48 jobs.	- Jobs
Decrease TOT revenue by \$303,000 per year, from \$817,000 to \$514,000	- City Revenue
Decreases the overall market value and the redevelopment feasibility of two very large parcels.	- Market value and Developability

ALTERNATIVE 2 - NORTH MILL SITE INCREASE HOUSING AND OPEN SPACE

Increase Housing & Open Space



Existing

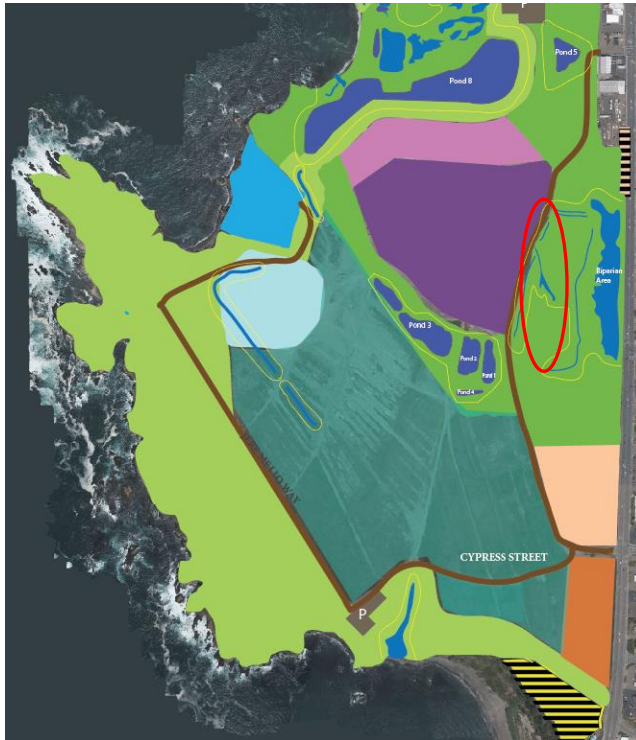


The above map includes 6 additional acres for housing while retaining 13 acres for hotels (Visitor). This version would also convert Urban Reserve into open space zoning. The LUP modification would result in the following general policy implications:

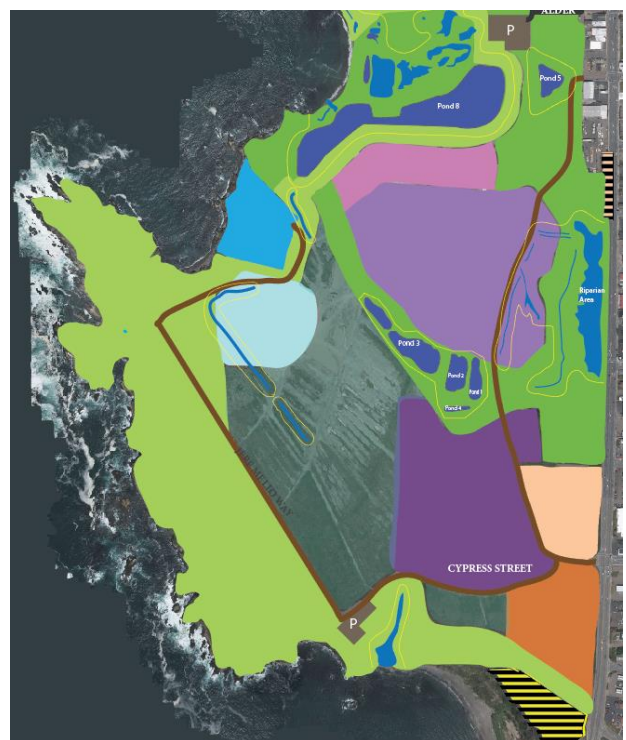
Policy Implications of Increasing Open Space zoning	Policy Goals
Net increase of 21 acres of open space (from 68.4 to 79 acres).	+ Public Amenity
Net increase of 21 acres for Coastal Act priority uses.	+ Coastal Act
If open space is transferred to City, increase maintenance costs by \$50,000/year.	- City Revenue
Protect cultural resources sites	+ Coastal Act
Policy Implications of Reducing Visitor Zoning	
Add a maximum of 72 additional multi-family residential units.	+ Housing
Increases the overall market value and the redevelopment feasibility of one very large parcel.	+ Market Value + Developability

ALTERNATIVE 3 - SOUTH MILL SITE DECREASE INDUSTRIAL AND MILL SITE EMPLOYMENT

Reduce Amount of Industrial



Existing

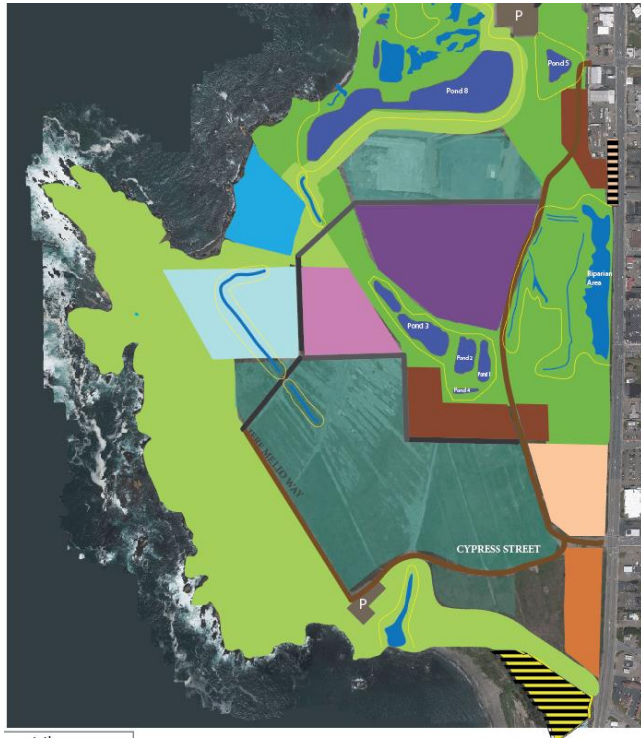


This LUP revision significantly reduces the amount of the site that would be rezoned for industrial uses, by consolidating the area zoned for Heavy Industrial with the area zoned for Timber Resources industrial. Furthermore, the eastern edge of the consolidated heavy industrial zoning district has been shaved in order to preserve the wetlands and wetland buffers to the east of the existing access road (note red circle). In this alternative a lumber mill could be a permitted use in the heavy industrial zoning district. This alternative cuts the area zoned for Mill Site employment from 8 acres to 4 acres.

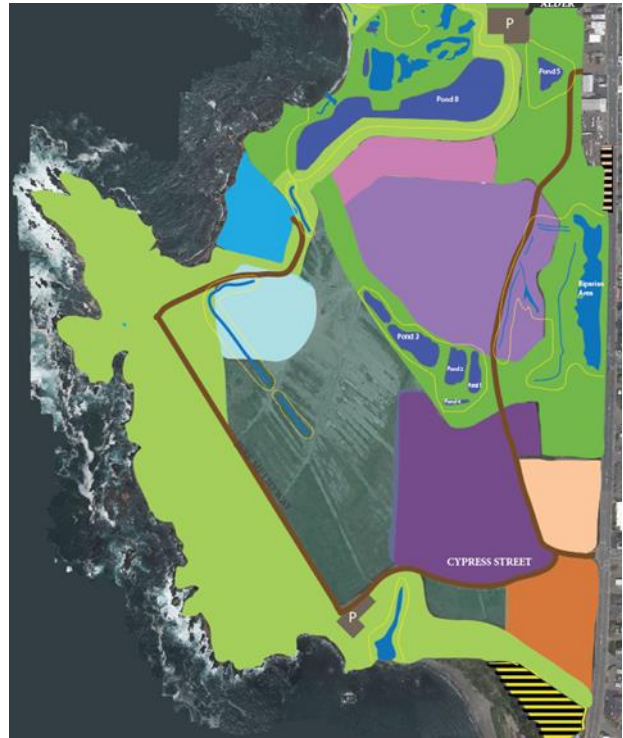
Policy Implications of Reducing Industrial Zoning	Policy Implications
This revision would result in a 28 acre reduction of industrial land and 255 fewer industrial jobs upon development. However, the market for industrial is probably not strong enough to absorb all of this industrially zoned land within the next 30 years, so the actual impact would probably be less than 225 jobs.	- Jobs
Provide needed protection of a wetland area that is otherwise probably not developable.	+ Open Space
Decrease the land zoned Mill Site employment from 9.5 acres to 4 acres, which would result in up to 213 fewer well paid potential jobs upon development. The market for this zoning district is fairly strong and	- Jobs

ALTERNATIVE 4 - SOUTH MILL SITE REVISION AS MIXED USE

Mixed Use & Reduced Industrial



Existing



This LUP revision includes mixed use (residential, industrial, commercial and open space) on the southern portion of the Mill Site. It would significantly reduce the amount of the site that would be rezoned for industrial uses, by consolidation the area zoned for Heavy Industrial with the area zoned for Timber Resources industrial. Light industrial has been moved from a location adjacent to the Coastal Trail to an area adjacent to the Coastal Dependent area (Noyo Center). This area could be used for industrial uses or a technical college in support of the Noyo Center. Also the Noyo Center site has been reconfigured to better meet their needs and the access roads in this area have been relocated away from the bluff for better circulation. The proposed areas of development front Ponds 1 through 4, which would make for good separation between the uses and support the restoration of this area.

Policy Implications of Reducing Industrial Zoning	Policy Implications
This revision would result in a 39 acre reduction of industrial land and 257 fewer industrial jobs upon development. However, the market for industrial is probably not strong enough to absorb all of this industrially zoned land within the next 30 years, so the actual impact would probably be less than 257 jobs.	- Jobs
8 acres for new housing would result in an additional 120 units of housing in the future.	+ Housing + Market value

Provide needed protection of a wetland area that is otherwise probably not developable.	+ Open Space
Decrease the land zoned Mill Site employment from 9.5 acres to 4 acres, which would result in up to 213 fewer well paid potential jobs upon development. The market for this zoning district is fairly strong and	- Jobs
Improved developability of the site by concentrating development along one east wet access and thereby decreasing infrastructure installation costs.	+ Market Value + Developability.

RECOMMENDED ACTION:

Please review the above concept plans, ask question of staff and provide preliminary direction regrading one or more Land Use Plan or hybrids.

ALTERNATIVE ACTION(S):

None.

FISCAL IMPACT:

The City was awarded a Community Development Block Grant (CDBG) in the amount of \$50,000, a Coastal Commission grant of \$100,000, and a \$48,000 MCOG grant for this LCP amendment. Additionally, the City has a General Plan Maintenance Fund, funded through building permit fees, that may be used for costs associated with the LCP Amendment.

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 task list included in the first part of this report. See table below.

LCP Amendment Task	Status
Prepare a Land Use Plan (zoning map) for the LCP amendment.	Drafted 10/2018
Prepare supporting maps, including: parcel lines, existing development, wetlands, transportation and access constraints.	Completed 10/2018
Revise the Coastal General Plan to include relevant policies for the LCP amendment.	80% Complete
Revise the Coastal Land Use and Development Code to include relevant policies for the LCP amendment.	50% Complete
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.	Completed 10/2018 Will need to be revised if the Land Use Plan is revised
Prepare a summary of current lower cost visitor serving facilities, including: room inventory, revenue per available room, occupancy rates, etc.	Completed 9/2018
Climate change study: sea level rise and bluff top vulnerability & impact of Mill Site development on Climate Change.	Completed 11/2018
Tsunami study.	Completed 2007
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.	Completed 12/2018.
Prepare an analysis of the City’s capacity to serve future development, including: water, sewer, drainage, etc.	Underway. Will need to be revised if the Land Use Plan is revised.
Prepare a Fiscal Impacts Analysis of the fiscal impact (revenues and expenses) on the City of the proposed buildout of the Mill Site. This analysis will explore total potential revenues and expenses related to the buildout of the Mill Site.	Spring 2019
Prepare a Feasibility Study for the Mill Site Buildout. This analysis will explore the cost of development and anticipated revenues and determine in a general sense if development on the Mill Site is	Spring 2019
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.	Summer of 2019 Will be prepared once Land Use plan is finalized and traffic volumes are up in the summer.

Botanical Analysis.	Summer 2019
Prepare and submit the LCP Amendment application with all attachments and analysis.	4/2018 –6/2019
Coastal Commission Review & Analysis of LCP Amendment. One year statutory review period.	6/2019 – 5/2020
Submission of “Friendly Modifications” by the Coastal Commission to the City of Fort Bragg.	6/2020
City consideration of “Friendly Modifications” and negotiations with Coastal Commission regarding modifications. Six month statutory	6/2020 –12/2020
Adoption of LCP Amendment by Coastal Commission and City of Fort	1/2021 – 3/2021
New regulations and policies become law and applicants can submit development project permit applications for review and consideration by the Planning Commission.	4/2021

ATTACHMENTS:

1. City Council Workshop & Meetings - Summary of Direction
2. Mill Site Reuse Plan Community Survey (2018)
3. EPS Mill Site Specific Plan Market Study 2005
4. Mill Site Reuse Plan Buildout Analysis (2018)
5. Table 1: Water Analysis Maximum Buildout City and Mill Site (2019)
6. Table 2: Water Analysis Maximum Coastal Dependent Uses City and Mill Site (2019)
7. Table 3: Water Analysis Maximum Vacant City Lots and Mill Site (2019)

NOTIFICATION:

1. Notify Me Subscriber List: Georgia Pacific Site Plan
2. Georgia Pacific Site Remediation Notify Me Subscriber List
3. Dave Massengill, Georgia Pacific Corporation
4. Sherwood Valley Band of Pomo Tribal Chairman Mike Knight & THPO Tina Sutherland
5. Cristin Kenyon, California Coastal Commission