

City of Fort Bragg
Georgia-Pacific Mill Site Reuse Study

Economic Development Strategy

VOLUME THREE



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1. ECONOMIC DEVELOPMENT OVERVIEW

The City of Fort Bragg is a vibrant small town currently in the process of transitioning from a resource-driven to a service-based economy. The recent closure of the Georgia Pacific timber mill affords the City a unique and challenging opportunity to redefine itself and expand onto the 400+ acre oceanfront property. The City's Mill Site development opportunity, active community, and magnificent coastal location provide Fort Bragg with the opportunity to foster and attract a more vigorous economic base.

This Economic Development Strategy is intended as a framework to guide future economic development activities in the City of programs. Indeed any economic development strategy that focuses entirely on projects or on programs will be less effective than a strategy that focuses both on physical changes required to foster successful economic development (projects) and the relationship-building, marketing, and regulations (programs) that make such projects successful. In general economic and job development activities fall into four broad categories, namely:

- Activities that support and guide the development or reuse of significant physical assets such as the Georgia-Pacific Mill Site
- Activities that support the growth and development of business and jobs, such as business retention and attraction activities, micro enterprise and small business development assistance, storefront and downtown streetscape improvements, regulation and tax programs.
- Activities that support the development of a skilled workforce, such as a high-quality k-12 school system, short and long-term training programs to help workers adapt to the changing nature of work and available jobs, community college, and university education.
- Activities and programs that improve the local quality of life and thereby help to retain and attract businesses and a skilled workforce, such as cultural and arts programs, parks and scenic beauty, affordable housing, quality streets and infrastructure, etc.

Small cities like Fort Bragg have limited resources in terms of staff time and funds to expend on economic development implementation. Consequently, each strategy has been prioritized and analyzed for relative market support, community support, cost, potential economic development impacts, funding sources, probability of success or outlook and potential fiscal impacts on the City. It is important for the City of Fort Bragg to expend its relatively limited resources as effectively as possible. Some of the strategies described here are entirely new to the City, while others are already underway.

1.2 METHODOLOGY

The Economic Development Strategy which follows was formulated through active engagement of the Fort Bragg community through focus groups, key informant interviews, a community survey and community-wide meetings. The Strategy was formulated through a series of steps:

- Review of prior studies and plans for Fort Bragg and the G-P Mill Site.
- Facilitation of eleven constituency focus groups and confidential stakeholder interviews with 12 public representatives to gain an understanding of community vision, economic strengths, economic weaknesses, and reuse priorities for the Mill Site.
- Collection and analysis of economic and demographic data for Fort Bragg to identify economic activities which are supported by the market
- A survey of community and City residents with over 1,300 responses to further define community vision and preferred reuse options for the Mill Site.
- Our research and experience with successful reuse projects and economic development efforts in similar cities.
- Prioritization and vetting of proposed goals and strategies by community members during the final community meeting of the City of Fort Bragg's Mill Site reuse planning process.

The Georgia-Pacific consultants (SWA, Sedway Group) have already analyzed general economic trends in Fort Bragg and the region; consequently, in order to cover new ground, MJC focused this strategy on specific economic development activities for the City of Fort Bragg and potential new uses on the GP Mill Site. The process to prepare this Strategy has occurred simultaneously with the completion of a community involvement process, an analysis of the City's infrastructure capacity and land use planning activities. This report is one piece of a broader initiative to formulate reuse preferences for the Georgia Pacific Mill Site (Please see Appendix A).

1.3 ECONOMIC DEVELOPMENT VISION

The City of Fort Bragg is a sustainable working town with a diversified economy and well-paying jobs that serves the Mendocino Coast as a cultural and economic center and a destination for area visitors.

1.4 ECONOMIC STRENGTHS

It is important to understand the town's strengths and weaknesses as they provide the setting for future economic growth and the context for the City's economic development efforts. As a small town with a stunning natural setting and a high quality of life, Fort Bragg offers many advantages to potential employers, small business owners, and the potential Mill Site developer(s). Focus group participants and key informants developed the following comprehensive list of Fort Bragg's strengths:

- A beautiful and accessible natural environment, ocean access, rugged coast line, redwood forest, beaches, and mountains which provide venues for a variety of outdoor activities and scenic qualities.

- An active and involved community.
- Regional retail and employment center for Mendocino Coast.
- A rich history of fishing, logging and lumber processing which contribute to community ambiance and character.
- Unique, visually interesting small town character with quality retail, a mix of restaurants, and local events.
- A well established artistic and cultural scene of community-based theater, music, fine arts and crafts.
- Limited light manufacturing employment.
- A number of opportunity areas for economic development including the Georgia-Pacific Mill Site, Noyo Harbor, North of Pudding Creek and the South Fort Bragg gateway.
- Limited traffic congestion, air pollution, crime and related urban ills.
- Close association with the “Mendocino” name and its branding strength for higher-end products and the hospitality sector.
- Reasonable driving distance to the San Francisco Bay and Sacramento area population centers.
- A relatively large informal economy which significantly increases average household income above published statistics.

1.5 ECONOMIC CHALLENGES AND CONSTRAINTS

Fort Bragg faces a number of challenges and constraints to economic development and job creation. Focus group participants mentioned the following specific challenges which may constrain future job growth:

- High transportation costs and distance from major transportation corridors.
- Rising land and housing costs which impact the ability of some businesses to retain and attract a skilled workforce.
- Insufficiently skilled workforce to attract and retain particular employers.
- An aging population, wherein young adults migrate out of the area for employment opportunities, which further reduces the skill and knowledge level of the workforce (the so-called youth “brain drain”).
- Relatively limited fiscal resources which constrain the City’s ability to address economic development needs.
- Deteriorated and insufficient infrastructure.
- Comparatively low income levels and a predominance of low-paying, service-oriented jobs.
- The need to create a unified vision with regard to reuse options for the Mill Site.
- The potential for a prolonged Mill Site reuse process.
- Environmental review and clean up of the Mill Site.
- Seasonality of hospitality sector due to weather patterns.
- Low property tax split with the County.

1.6 ECONOMIC DEVELOPMENT PRINCIPLES

The following principles, developed through the community process, should guide the implementation of this strategy into the future. These guiding principles compliment the community planning principles which guide new development decisions on the Mill Site (see Volume I).

Economic development efforts should:

- Take advantage of Fort Bragg's current assets, economic linkages and economic strengths
- Help preserve Fort Bragg's uniqueness, attractiveness, history, culture, diversity, sense of place and quality of life
- Develop a diversified and resilient economy by retaining, growing and attracting quality jobs
- Promote jobs that match the skills of existing residents
- Maintain an appropriately scaled and economically healthy downtown
- Ensure adequate facilities, services, and infrastructure
- Ensure that new development has a net positive fiscal impact on the City
- Encourage development of a livable and sustainable community

2. ECONOMIC DEVELOPMENT STRATEGY

GOAL 1: INFLUENCE AND FACILITATE THE MILL SITE REUSE PROCESS

STRATEGY 1.1 ASSIST WITH THE MILL SITE REUSE BY FACILITATING THE ENTITLEMENT PROCESS

Description

Several planning processes will influence the timing of new development on the Mill Site, and delays in any of these processes will significantly delay the reuse process and the job creation potential of the Mill Site. New construction on the site cannot occur until the following entitlement issues are addressed and appropriate approvals are obtained by the developer.

- A Specific Plan must be prepared by the developer and approved by the Fort Bragg City Council, in order for the Mill Site to be rezoned for redevelopment. The Specific Plan will identify future uses and infrastructure requirements, and establish development standards for the property. The process of formulating the specific plan will require community involvement. Typically a specific plan development process takes from 12 to 18 months.
- General Plan and Local Coastal Program amendments and Rezoning will also be necessary. Following the City's approval of the Specific Plan, required Local Coastal Program amendments must be approved by the Coastal Commission. These actions are subject to environmental review requirements under the California Environmental Quality Act. The local review process is likely to take at least a couple of years, and the Coastal Commission review process may take even longer to complete.
- Site remediation requirements may also affect the timing of new development.

In a best case scenario this general entitlement process will take at least four to six years. Upon completion of the entitlement process, all Mill Site projects will undergo normal building and planning approvals.

Responsibility

City of Fort Bragg, Developer, Coastal Commission

Cost

A half to a full-time equivalent of staff time per year, which could be funded in part through developer participation and fees.

Feasibility

The entitlement process could take from four to eight years. The City can play a very valuable role in facilitating this process to avoid unnecessary delays.



Expected Effects

- Fiscal Effects: Active City involvement in the planning process could allow more rapid development of the site and a correspondingly rapid increase in property, sales, and transit occupancy taxes generated by new facilities and uses on the site.
- Employment: Development of the site and the ensuing resident businesses could provide an estimated 1,000 full-time permanent jobs and a large number of temporary construction jobs.

Next Steps

1. City Council endorsement of both the planning process to date and an expedited overall planning process.
2. Build relationship with Mill Site developer(s).
3. Begin early discussions with Coastal Commission and other regulatory agencies.
4. Hire consultant or permanent staff to facilitate specific planning, coastal commission approval, and EIR processes.

STRATEGY 1.2 ENSURE THAT MILL SITE DEVELOPMENT IS REVENUE POSITIVE FOR THE CITY

Description

The Mill Site development can pay for its impacts on the City of Fort Bragg through a variety of mechanisms, including:

- Establishment of a Mello Roos District;
- Establishment of other special assessment districts; and/or
- Establishment of development impact fees.

Currently the City is constrained by the relatively low contribution from property taxes to the City's General fund as the majority of property taxes fund the School District and the County government. For every dollar collected in property taxes only five cents goes to the City of Fort Bragg General Fund.

A brief description of each strategy follows:

The **Mello-Roos** Community Facilities District Act allows any county, city, special district, school district or joint powers authority to establish a "Community Facilities District" which allows for the financing of public services and facilities. Mello-Roos Districts can finance the development of streets, police protection, fire protection, ambulatory, elementary schools, parks, libraries, museums, cultural facilities, and water facilities. The facilities or services may be funded either through bonded indebtedness secured by the special taxes or directly from the special tax proceeds on a "pay-as-you-go" basis. A Mello-Roos district must be approved by a two-thirds margin of qualified voters in the district. If there are fewer than twelve registered voters within the proposed district, as in the case with the Fort Bragg Mill Site, the vote may be passed by current landowners. Property owners within a Mello Roos District are responsible for payment of the "special tax." The tax may be apportioned in any manner that is fair and reasonable, except ad valorem, i.e., based upon the value of the property. The tax imposed under the Mello-Roos Act is a special tax and not a special assessment, and therefore need not be apportioned on the basis of benefit to any property. On the other hand, there is no prohibition against a benefit-based tax. Most developers now regard Mello-Roos as an important tool in the development process; one that can often mean the difference between the success and failure of a project.

Special Assessments can be levied by the City Council with the voters' approval, for the cost of specific local improvements on the Mill Site, such as streets, sewers, street lighting, water system, storm water system and other site infrastructure. The City Council would establish a Special Assessment District Board for the purpose of levying the special assessment. The District would then issue bonds to finance the particular improvements on the Mill Site. To repay the funds borrowed through the bonds issued; these districts have the power to assess all lands included in the district based on the value of the property.

Many communities require developers to pay development or **impact fees** which cover the direct and indirect fiscal impacts of new development on a community. Impact fees are the financial responsibilities which a municipality places upon a developer to provide some or all of the physical improvements (from sewers and streets to parks and schools) necessitated by

development and its impacts. Impact fees are levied as a condition for the approval of plat or building plans and subsequent permission to proceed with development. Impact fees are typically accessed for provision of affordable housing, transportation, fire, police, parks, open space, recreation, water, sewage, solid waste, streets, sidewalks, storm drains, street signal installation, street furniture and community art. By placing the costs of new development directly on developers, Impact fees free other taxpayers from the obligation to fund costly new public services that do not directly benefit them. Alternatively, communities may also levy **exactions** on developers. Exactions consist of direct contributions by developers and may include dedication of land or the construction of facilities.

- New residential development increases demands upon public facilities and services including public schools, parks, police, fire, library services, water, and sewage and road ways. To the extent that new residential developments place demands upon public facilities that are specifically and uniquely attributable to such developments, those demands should be satisfied by requiring that the new residential developments creating the demands pay the cost of meeting the demands.
- New commercial development increases demands either directly or through generated employment on affordable housing, parks, open space, recreation, public transportation, water, sewage, solid waste, streets, sidewalks, storm drains, street signal installation, street furniture and community art.
- Development impact fees are typically assessed, payable at the time of issuance of a building permit, in an amount equal to the proportionate share of the cost of the various public facilities and infrastructure required to serve new development. Alternatively, for large developments, the City can require that the developer directly provide infrastructure and facilities through donation of land, right-of ways, and construction.
- Impact fees are set such that they are based on a reasonable connection (nexus) between infrastructure need and new growth. The impact fees must not exceed a proportionate share of the cost of new infrastructure or public facilities that meet the needs of the new development. Impact fees can not be accessed to pay for/subsidize services for pre-existing development within Fort Bragg.
- The funds derived from these fees should be deposited into a special account to be used exclusively for the construction of facilities and/or infrastructure that meets the demand created by the new development.
- Due to the unique location and size of the Mill Site relative to other developable vacant land in Fort Bragg, particularly its lack of direct access to basic infrastructure such as sewage lines, water lines, storm water drains, and streets, the City should institute a higher developer impact fee for development on the Mill Site which covers the higher cost of providing infrastructure connections to this site.

Responsibility

City of Fort Bragg, Developers

Project Costs

Approximately \$60,000 for a consultant to complete a nexus analysis to set appropriate development impact fees for the Mill Site. \$20,000 for annual program administrative costs.

Feasibility

Impact fees are widely and successfully used by municipalities throughout the United States. Impact fees have been challenged as takings or illegal taxes in several communities so the fee must be designed carefully to assure that the fee amount is justified and that the people paying the fee are receiving its benefits.

Expected Effects

- Fiscal Effects: Balance the fiscal impact of development on the city with taxes and fees paid by the developer or final property owners. Eliminates the fiscal impact of new development on the City.
- Employment: Development fees can inhibit the development of marginally profitable projects and/or delay development during soft markets, which could delay or reduce overall job growth on the Mill Site.

Next Steps

A city adopting impact fees should: follow the adoption process slowly and meticulously, (i.e., do it right the first time) and be prepared for a long, complex task that does not end with ordinance adoption. Specific steps should include:

1. Appoint a committee of builders, developers, city staff, and community leaders who are able to undertake a comprehensive review of the subject of impact fees and to develop guidelines and suggestions. This committee should manage a consultant hired to complete a nexus study for the impact fees.
2. Hire a consultant to assist with the definition and setting of appropriate impact fees (nexus study). The consultant should help the City: determine the levels of demand and costs of construction for new facilities; establish accurate impact rates which reflect those levels; apportion costs and set impact fees appropriate to residential, commercial, and industrial uses; set impact fee districts where appropriate; and help draft the impact fee ordinance.
3. The city must address infrastructure facility standards within its comprehensive plan. The plan should include geographic impact fee zones for the collection and expenditure of the revenues where relevant. It should also project infrastructure needs and the costs associated with meeting those needs. The plan provides information regarding needs and demands, as well as the legal justification for impact fees and the proof that the city is engaged in a rational, comprehensive process of managing growth.
4. The city should establish the target percentage of infrastructure costs it wishes to finance through this method, generally 50-75 percent.
5. Obtain legal assistance to be responsive to the legal restrictions placed on impact fees.
6. Give as much thought to the administrative process of collecting and enforcing the fee as to the actual fee structure. Develop a central point for tracking and collecting the fee. Design a system with provisions for unusual and unpredictable situations such as demolitions and reconstructions, additions, and adjacent structures. The City should keep impact funds in segregated accounts and issue accounting reports periodically for those accounts.
7. Set up a schedule for periodic updates to the fee schedule based on inflation and other cost factors.

STRATEGY 1.3 PHASE MILL SITE DEVELOPMENT TO ACCOMMODATE FUTURE ECONOMIC OPPORTUNITIES

Description

A phased development process will benefit both the City and the developer.

1. Phased development may allow the City and the developer(s) to take advantage of future markets and development opportunities through land banking. Phased development will allow the developer to benefit from increased land valuations and synergisms between established and planned developments.
2. A phased development process will enable phasing of construction of support infrastructure such as new streets, curbs, sidewalks, storm water system, sewage and water lines so that taxes and development fees generated by new development finance sequential infrastructure development activities on remaining portions of the site.
3. Public benefit projects should be completed prior to approval of at least half of the private sector development activities. This will insure that community benefit/amenity projects are completed in a timely manner and in accordance with development agreements.

Responsibility

City of Fort Bragg, Developer, Coastal Commission

Program Cost

Delayed job creation, tax revenues and service demands for the City of Fort Bragg. Costs to the developer include land holding costs and delayed return on investment for phased projects.

Expected Effects

Employment: phased development may delay job and business growth as well as the provision of community amenities on the site.

Fiscal Effects: a phased development process will slow site development and corresponding increases in required services and property, sales and transfer occupancy taxes.

Next Steps

1. Define through a community process, which portions of the Mill Site have development priority.
2. Define an infrastructure funding mechanism to insure that projects pay for their fair share of infrastructure as they are completed.
3. Include the goal of phased development as an evaluation criteria and planning principal for the Mill Site Specific Plan.

STRATEGY 1.4 INCREASE CITY CAPACITY TO UNDERTAKE ECONOMIC DEVELOPMENT AND MILL SITE REUSE EFFORTS

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| Description | <p>The Mill Site development process will place additional burdens on the City. In addition, many of the economic development strategies outlined in this report will require additional staffing.</p> <ul style="list-style-type: none">▪ The City should continue efforts to pursue funding sources to augment existing planning and community development staff with additional contract staff or consultant assistance.▪ The City should secure funding resources from the Mill Site developer to help defray consulting and contract staff costs for the City of Fort Bragg which directly results from Mill Site development activities. |
| Responsibility | City of Fort Bragg, Mill Site Developer |
| Project Cost | \$80,000/year for a contract or staff planner and another \$100,000/year in consulting time |
| Feasibility | Depends on availability of grants and willingness of developer to participate in process. |
| Expected Effects | <ul style="list-style-type: none">▪ <u>Fiscal Effects</u>: Defrays the costs of the Mill Site planning process▪ <u>Employment</u>: Without increased capacity the Mill Site reuse process will likely be delayed. |
| Next Steps | <ol style="list-style-type: none">1. Apply for additional funding to support Mill Site planning activities. Possible funding sources include CDBG, Coastal Conservancy, and EDA.2. Negotiate a cost sharing or full funding mechanism with developer to support the additional planning staff/consultant time.3. Issue appropriately timed RFPs and employment notices in order to meet anticipated staffing needs. |

STRATEGY 1.5 CONTINUE TO ALLOW JOB-GENERATING AND COMMUNITY-SUPPORTIVE INTERIM USE OPTIONS

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| Description | The Mill Site development process will be phased over a number of years. In the intervening years un-used portions of the site could be used on an interim basis for a variety of activities, including: <ul style="list-style-type: none">▪ Film production▪ Events like the Mendocino Music Festival, fourth of July celebrations, and other annual fairs and events▪ Storage for: lumber and timber from small area mills, Skunk Train equipment, heavy Caltrans' equipment, and other non-building dependent storage use. |
| Responsibility | Mill Site Developer, City of Fort Bragg, individual business owners |
| Project Cost | Not applicable |
| Feasibility | A variety of businesses already use the site on an interim basis. |
| Expected Effects | <ul style="list-style-type: none">▪ <u>Fiscal Effects</u>: Minimal, may require additional planning staff hours▪ <u>Employment</u>: Possible positive employment impacts in film industry, tourism, construction, and natural resource sectors. |
| Next Steps | <ol style="list-style-type: none">1. Continue providing approvals for a variety of interim uses on the site with consent of appropriate regulatory agencies. |

GOAL 2: CREATE AN ENVIRONMENT WHERE LOCAL BUSINESSES CAN FLOURISH

STRATEGY 2.1 PRESERVE AND STRENGTHEN FORT BRAGG'S CENTRAL BUSINESS DISTRICT

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| Description | <p>Implement the <u>Downtown Fort Bragg Revitalization Plan</u>, especially the pedestrian-friendly features in the Central Business District:</p> <ul style="list-style-type: none">▪ Pedestrian Enhancements at Main & Laurel in conjunction with Signal Project. This project is under construction.▪ Downtown Streetscape Improvements (street trees, furnishings, light fixtures, intersection bulb-outs, etc.) Funds have been allocated for design and engineering of all streetscape improvements in downtown. The first phase Underground Utilities Study is in progress.▪ Main Street Transition Lane Relocation & Pedestrian Enhancements▪ West Laurel Street plaza (Depot Commons)▪ Public parking improvements (additional public parking lots; changes to time limits for on-street parking)▪ Way-finding signage |  |
| Responsibility | City of Fort Bragg | |
| Project Costs | Estimated project costs are derived from the Revitalization Plan: Downtown Gateway Entrance \$130,000; Downtown Streetscape \$30,000; Main Street Enhancements \$930,000; Depot Commons \$179,000; Public Parking Improvements \$100,000 | |
| Feasibility | Depends upon availability of grants and other special funding. Possible funding sources include Community Development Block Grants (CDBG), City's General Fund, City's Redevelopment Agency's bonding ability, etc. | |
| Expected Effects | <ul style="list-style-type: none">▪ Fiscal Effects: Improvements to retail sales would increase City's sales tax receipts with few if any additional service costs.▪ Employment: Direct impact on retention and attraction of retail and office sector employment. Indirect impact on lodging market as Fort Bragg becomes a more attractive location to visit. | |
| Next Steps | <ol style="list-style-type: none">1. Prepare grant applications2. Organize Business Improvement District (BID)3. Undertake infrastructure enhancements | |

STRATEGY 2.2 LIMIT NEW VISITOR SERVING RETAIL DEVELOPMENT ON THE MILL SITE TO AREA DIRECTLY WEST OF THE CBD

Description

Insure that new Mill Site retail development does not compete with the Central Business District (CBD) by limiting new retail and resort development to locations due west of the CBD.

- Require Specific Plan and zoning changes for the Mill Site property to locate all new tourist serving retail and resort hotels to be located due west within walking distance (a quarter mile) of the Fort Bragg CBD.
- Require pedestrian friendly access paths and streetscapes between the CBD and any new visitor serving retail/resort hotels on the Mill Site.
- Require visual linkages between the CBD and new retail/resort development on the Mill Site.
- Require new development to respect the historic design and character of the CBD.



Responsibility

City of Fort Bragg, Mill Site developer, Downtown Promotions Committee

Cost

As a regulatory action, implementation of this strategy may necessitate additional planning staff time.

Feasibility

This strategy is a regulatory action and does not require market support. The City has sufficient leverage through its planning powers to minimize retail competition with the CBD.

Expected Effects

- Fiscal Effects: Unknown impact on sales and transit occupancy tax revenues
- Employment: Reduce business displacement closure and disinvestment in Downtown Fort Bragg and thereby increase job retention in Fort Bragg

Next Steps

1. Include these criteria in the Developer Solicitation Package and Developer Evaluation Matrix
2. Inform the developer selection process
3. Negotiate with the selected developer regarding implementation of these recommendations in the Specific Plan

STRATEGY 2.3 LIMIT BIG BOX DEVELOPMENT

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| Description | The City has passed an ordinance to limit the development of formula business (chain stores) and big box retail to reduce the threat of big box development on small independently-owned retail businesses that comprise the Fort Bragg Central Business District. By requiring a conditional use permit, a fiscal and economic analysis of the economic effects of a proposed project, and limiting total gross floor area of any new retail development to 50,000 square feet, the City's General Plan safeguards the Central Business District from big box competition within the City's jurisdiction. |
| Responsibility | City of Fort Bragg |
| Program Cost | None |
| Feasibility | Already incorporated into General Plan and zoning ordinance. Development of a Big Box retail center outside of the City limits is unlikely because of insufficient demand to support a big box retailer. |
| Expected Effects | <ul style="list-style-type: none">▪ <u>Fiscal Effects</u>: Potential impact on Sales Tax revenues.▪ <u>Employment</u>: Large format stores employ fewer people than the stores they replace; consequently this strategy will result in job retention. |
| Next Steps | None |

GOAL 3: RETAIN, GROW AND ATTRACT BUSINESSES WHICH OFFER GOOD JOBS

STRATEGY 3.1 WORK IN PARTNERSHIP WITH THE MILL SITE DEVELOPER TO ATTRACT AN INSTITUTIONAL USE SUCH AS A COLLEGE OR MARINE RESEARCH CENTER

Description

The community has indicated very strong support for an institutional use on the Mill Site, such as a four-year college or a small marine research center. The City of Fort Bragg could work with the Mill Site developer to identify appropriate institutions and market the site to them.

- A viable private four-year college would serve from 1,000 to 2,000 full-time students and utilize 60 to 80 acres for classrooms, administration, student housing, parking and recreation facilities. A four-year college of this size would employ between 300 and 700 people.
- A marine research center could be patterned after similar facilities such as:
 - Moss Landing Marine Laboratories - in Moss Landing, California
 - Hopkins Marine Station - in Pacific Grove, on the Monterey Peninsula
 - Bodega Marine Laboratory - in Bodega Bay, California
 - The Marine Mammal Center - in Sausalito, California
 - Santa Cruz/Tiburon Laboratory - in San Francisco Bay, research focused on ground fish and salmon

A Marine Research Center would include laboratories, offices and possibly a visitor's center for marine education. For example, the Bodega Marine Laboratory's main buildings (63,700 square feet) house 65 laboratories and offices for resident and visiting scientists, students and support staff. Also present are classrooms, lecture hall, public education spaces, library, computer facilities and conference rooms. Large public aquaria and displays provide marine education to 10-12,000 visitors each year. Typically a center of this type employs from 50 to 100 people and serves 15,000 visitors per year.



Responsibility

City of Fort Bragg, Chamber of Commerce, Mill Site developer

Feasibility

In the near term both uses are very unlikely due to the State's budget crisis and a shrinking college age demographic. The four-year college has a relatively low probability of success because of demographic trends of declining college enrollment throughout the nation and current State budget deficits. The Marine Research Center may have a slightly better probability of success because of the unique geographic location of the Mill Site: its coastal location in an established community, far from other competing marine research centers. However, no sponsoring institution has yet been identified for this use. Please review the market analyses for these uses in the background report for additional detail.

Program Cost

Staff time to assist with marketing efforts

Expected Effects

- Fiscal Effects: Countless studies have been completed to quantify the fiscal impacts of four year institutions on the communities in which they reside. Since state schools do not pay local property taxes, they do not pay for their significant impacts on police, fire, and other city services. Colleges do generate taxable sales and taxes from hotel use (TOT). Overall the fiscal impact is likely to be neutral or negative for the City but positive for the community in terms of economic development and job generation.
- Employment: A college would result in between 300 and 750 direct jobs and a significant number of indirect jobs in restaurants, book stores and hotels. A Marine Research Center would result in 50 to 100 direct jobs and a significant number of indirect or induced jobs.
- Housing: A two thousand student four-year college would significantly increase the demand for and cost of housing in Fort Bragg.

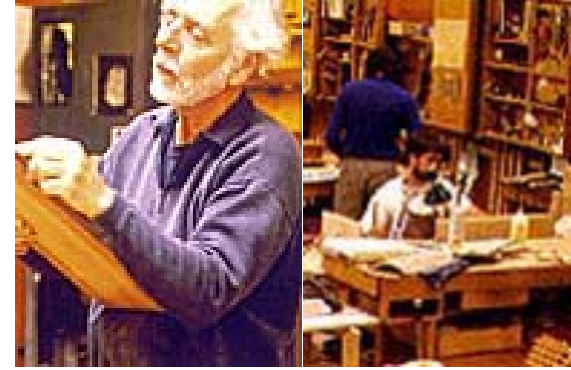
Next Steps

1. Work with the Mill Site developer to attract a college or university
 - Initiate a joint marketing effort with the Mill Site developer to small privately owned and alternative colleges.
 - Complete a feasibility study for a small college on the mill site.
 - Consider setting aside 40-80 acres for up to ten years as part of a phased development effort to attract a college at a later date when demographic trends and the State's budget situation improve.
 - Approach the California State University Chancellors Office with a proposal.
2. Work with the Mill Site developer to attract a Marine Research Center
 - Work with the State and Federal congressional delegation to earmark funds for a Marine Research Center in Fort Bragg as part of Federal and/or State ocean research activities. For example the National Oceanic and Atmospheric Administration (NOAA) could partner in such an effort.
 - Develop relationships with Northern California colleges and universities to help them set-up a marine research center in Fort Bragg.

STRATEGY 3.2 EVALUATE THE FEASIBILITY OF A FINE ARTS CENTER AS A SMALL BUSINESS INCUBATOR AND A VISITOR ATTRACTION

Description

Explore the feasibility of establishing a 15,000 to 20,000 square foot Fine Arts Center on the Mill Site. The Art Center should provide affordable rents in an attractive setting with supportive services for light industry and arts businesses such as woodworking, hot glass, painting, ceramics, weaving and other arts businesses. A facility which combines visually interesting light manufacture, art studios, a gallery, and event space is likely to become a destination for both visitors and residents. Active accessible artist studio centers attract from 50,000 to 800,000 visitors depending on their location and size. Successful arts facilities often include arts education and access to the artist and the artistic process.



Responsibility

Project partnership between City of Fort Bragg, Mill Site developer and a non-profit entity such as the College of the Redwoods, the Fort Bragg Art Center or the Mendocino Art Center.

Project Cost

A feasibility study for a Fine Arts Center would cost approximately \$20,000. Estimated construction cost for the project of between \$2 and \$5 million depend on facility size and amenities. Tenant rents would support a portion of the construction financing, however even with a low-interest loan the project would need from \$1 to \$2.5 million in equity. Much of ongoing operations costs could be supported by rents, events and income from arts classes however a gap of \$100,000 in ongoing operations budget would require ongoing annual fundraising.

Funding Sources

CDBG, State of California non-profit low-interest bonds, Redevelopment Agency, Mill Site developer, sweat equity, capital campaign

Feasibility

Unknown market support, however projects of this type are unusually managed by non-profits which benefit from public and philanthropic support.

- Current industrial rents are low in Fort Bragg at \$0.50 and \$0.75/sq. ft. per month for industrial space. There is demand for smaller light industrial properties. It is unclear how many area artists would be interested in a studio facility. A survey of area artists would clarify the level of interest and potential rents in such a facility.
- The market will support \$1.00 and \$2.50 per square foot for retail/gallery space. The number and quality of galleries have increased in Fort Bragg in recent years.
- The College of the Redwoods and the Fine Wood Working program are interested in participating in this project. The Fine Wood Working program needs approximately 5,000 square feet, while CR is seeking classroom space for its arts education program.

- The Mendocino Art Center has struggled financially in the past and is the main “competition” on the Mendocino Coast, though it does not include an active studio rental program.

Expected Effects

- Employment: Attraction, retention and/or growth of 20 to 30 small arts and crafts businesses.
- Fiscal Effects: Potential increase in sales tax, minor impact on Transit Occupancy Taxes as tourists may stay for an extra day to visit the arts center and/or come to Fort Bragg to take classes at the art center.

Next Steps

1. Convene a meeting of area artists and arts organizations to test and develop a project concept. Include the director of the Fine Woodworking Program and the VP of College of the Redwoods.
2. Complete a comprehensive market analysis including a survey of area artists.
3. Develop a preliminary project design / development program and feasibility study (proformas analysis) for the facility.
4. Decide whether to proceed with facility.
5. Form a partnership between the City, Mill Site developer and appropriate non-profit entity to develop and manage the facility.
6. Form or select an existing 501(c) (3) to own and operate the building.
7. Develop a legal framework for building ownership and management.
8. Seek initial equity and site control.
9. Complete a feasibility study for a capital campaign and initiate the capital campaign.
10. Select the project team, including the architect; mechanical, electrical, and structural engineers; and the construction project manager through an RFP process.
11. Undertake design and engineering activities.
12. Obtain necessary entitlements (zoning variances, permits, etc.).
13. Obtain project financing and bond guarantee.
14. Undertake construction; hire permanent staff; occupy, lease, and initiate facility programs.

STRATEGY 3.3 EVALUATE THE FEASIBILITY OF ESTABLISHING A SMALL BUSINESS INCUBATOR

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|-------------------------|---|
| Description | Many successful businesses in Fort Bragg are home grown. They start at a kitchen table but ultimately grow to employ a small workforce. Small business incubators have been used by a wide variety of communities to foster growth of small businesses. Typically, small business incubators provide a variety of small to medium-sized spaces including both office and industrial space, for small business start ups. Many incubators also provide services and amenities to small business tenants, including: access to shared office equipment such as printers, faxes, copies; shared facilities such as kitchen, bathroom and meeting rooms; and supportive services such as shared reception, business planning, training, loans, etc. |
| Responsibility | Project partnership between City of Fort Bragg, Mill Site developer and the West Company |
| Project Cost | A small business incubator could be managed as either a for-profit or a non-profit project. For profit small business centers do not typically offer supportive services or shared resources and charge market rents of \$2.00 to \$2.50 per square foot to be financially feasible. Non-profit small business incubators usually provide supportive services, shared resources and typically charge at or slightly below market for rents and consequently receive subsidies or support from CDBG or other economic development funding sources. |
| Feasibility | <p>There is moderate market support for additional office and industrial space in the Fort Bragg area. Current rents are low.</p> <ul style="list-style-type: none">• Industrial rents are \$0.50 to \$0.75/sq. ft. per month. There is demand for smaller light industrial properties.• Office rents are \$1.50 to \$2.00/sq. ft. vacancy is low, and higher quality space could attract tenants from Mendocino.• For a small city which is geographically isolated like Fort Bragg a focus on local small businesses growth is more cost effective than expending funds on business attraction. Fort Bragg has many challenges to business attraction including the high cost of transportation, inadequate infrastructure, and a miss-match between the skills/knowledge of the resident workforce and the needs of the potential employers. |
| Expected Effects | <ul style="list-style-type: none">▪ <u>Fiscal Effects</u>: Revenue neutral to small increase in sales tax.▪ <u>Employment</u>: Retention and growth of office and light manufacturing jobs. |
| Next Steps | <ol style="list-style-type: none">1. Complete a market analysis, project design and financial feasibility study for the facility.2. Form a partnership between the City, the Mill Site developer and an appropriate non-profit entity (such as the West Company) to develop and manage the facility. |

STRATEGY 3.4 FACILITATE A BUSINESS-FRIENDLY CLIMATE AND IMPROVE BUSINESS RETENTION AND ATTRACTION EFFORTS

Description Develop a business retention program, which includes visits or calls with at least 15 strategic employers per year to identify and act upon retention issues. Business retention is one of the most cost-effective economic development expenditures. Existing businesses employ local people with the appropriate skills for the available positions, while new firms will not necessarily offer jobs suitable for local workers. During a retention visit, City or Chamber of Commerce staff should learn about a company's operations, discuss potential problems, and begin to address identified concerns where possible. Improve business attraction efforts to include: develop market and demographic data about Fort Bragg, provide a single-point person to coordinate business attraction and start-up activities including permitting, licenses, small business loans, real-estate search, entrepreneurship education, workforce training, etc.

Responsibility City of Fort Bragg, Chamber of Commerce, West Company, Fort Bragg Promotions Committee

Program Cost \$10,000-\$20,000 in staff time per year.

Expected Effects

- Fiscal Effects: Retain existing sales and property tax revenues, generate additional sales and property-tax revenue
- Employment: Retain and attract 20-50 jobs per year

Next Steps

1. Identify key business retention targets
2. Set a schedule for annual business retention visits
3. Seek to address business issues and needs where possible
4. Develop a demographic profile and market analysis for new business types in Fort Bragg
5. Develop a list of community resources for prospective business owners
6. Set up coordinator of business attraction and start-up activities

STRATEGY 3.5 WORK WITH THE MILL SITE DEVELOPER(S) TO ATTRACT GOOD JOBS TO THE MILL SITE & OTHER AREAS OF FORT BRAGG

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| Description | In partnership with the Mill Site developer(s), the City could focus on attracting businesses which would prosper in Fort Bragg's unique environment. A targeted and coordinated recruitment program could attract companies and jobs that improve the quantity and quality of jobs in Fort Bragg. A comprehensive business recruitment program for Fort Bragg should include: a systematic program for generating and responding to attraction leads; a brochure that describes the development opportunity, a list of key business people that an interested party can talk with regarding business activities in Fort Bragg; a real estate contact referral list; a welcome package that describes the community, workforce, tax structure and regulatory environment; and any assistance that the City can offer to potential relocating businesses. |
| Responsibility | Mill Site Developer, Chamber of Commerce, City of Fort Bragg |
| Program Cost | \$25,000 - \$50,000/year. Potential Funding Sources include the Mill Site developer and CDBG. |
| Feasibility | In general a business attraction program for a small remote community such as Fort Bragg would have limited success. However the Mill Site offers a unique development venue, so a targeted marketing partnership between the City and the Mill Site developer could bring in significant employers to the community. |

Expected Effects

- Fiscal Effects: Increase City property tax and sales tax revenues due to attraction success
- Employment: Attract 2-3 firms, employing 30-50 people

Next Steps

1. Develop a list of key business contacts that interested business owners can meet with regarding business activities in Fort Bragg
2. Develop a marketing package which describes the unique features and specific development opportunities on the Mill Site, possible City economic development assistance, the community and business environment, workforce and City tax structure and regulatory environment.
3. Work with the Mill Site developer to set up a system to generate, track and cultivate business attraction leads.

STRATEGY 3.6 ENHANCE REGIONAL SERVING RETAIL FEATURES OF SOUTH FORT BRAGG

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| Description | South Fort Bragg, the Boatyard shopping Center and the College of the Redwoods campus serve the Mendocino Coast's retail and educational needs. This site is ideal for future regional serving retail and educational development as it is readily accessible via Highway One and Highway 20, limits car traffic into the City of Fort Bragg, and offers a variety of large under developed and undeveloped parcels. The City can encourage, through zoning controls, signage, site design and infrastructure improvements, the development of additional regional retail serving businesses in this node. The South Fort Bragg retail node could accommodate and would be a preferable location for a new soft goods department store, a car/truck dealership, drug store, variety store and other medium format retail developments. |
| Responsibility | City of Fort Bragg |
| Program Cost | None |
| Feasibility | The City's General Plan and Zoning Ordinance currently designate seven large parcels in South Fort Bragg as General Commercial and Highway Visitor Commercial. |
| Expected Effects | |
| <u>Fiscal Effects:</u> | Increase capture of regional retail sales tax revenue |
| <u>Employment:</u> | Moderate increase in retail jobs |
| Next Steps | |
| 1. | Consider completing an area plan for the south Fort Bragg retail node. |
| 2. | Consider creating a gateway/signage plan for the south Fort Bragg retail node. |
| 3. | Actively support the efforts of local business owners to develop and open regional serving retail. |

GOAL 4: IMPROVE COMMUNITY AMENITIES

STRATEGY 4.1 ASSIST WITH EXPEDITED OPEN SPACE ACQUISITION

Description

Assist the State and other agencies to delineate the portion of the G-P Mill Site that is suitable for public acquisition for open space and recreational uses. The Coastal Conservancy has expressed an interest in assisting with the public purchase of a portion of the Mill Site for public access, conservation and recreation purposes. Georgia-Pacific has expressed interest in the sale of conservation lands separate from the bulk sale of the rest of the property. The initial dialogue about a conservation acquisition envisions public purchase of a swath of land along the coastline of the Mill Site that would provide an opportunity to extend the Coastal Trail from Glass Beach to the Novo Bridge as well as interior parks and open/space. As a community amenity, public open space along the coastline would add value to future development on the Mill Site.



Responsibility

Coastal Conservancy, Georgia-Pacific, State Parks and Recreation, City of Fort Bragg, Consultant Team

Project Cost

The Coastal Conservancy will pay assessed value for that portion of the proposed open space which would not be preserved through normal regulatory requirements. Georgia-Pacific would donate that portion of the land that would be preserved through normal regulatory requirements for the bluff-top park. The purchase of the open space could be funded through a variety of programs including: The Coastal Conservancy's site reservation program, urban waterfronts program, and the public access program; the Wildlife Conservation Board's Direct Acquisition Fund and Proposition 40 funds; the National heritage preservation tax act; California State Parks Habitat Conservation Funds, Recreational Trails Program, Land and Water Conservation Funds; and funds raised through land trusts.

Feasibility

This project appears to be highly feasible as G-P is a willing seller and the Coastal Conservancy would undertake the transaction with currently available proposition 40 funds. These funds may not be available in the future so this transaction is more feasible now than it might be in the future upon completion of the Specific Plan.

Expected Effects

- Fiscal Effects: Increased City expenditures for park management, maintenance, fire and safety services.
- Employment: No direct job creation, however as an amenity, the open space will make the site much more attractive for major job producing uses such as retail, resort hotel and office use.

Next Steps

Many factors are involved in a conservation acquisition:

1. Define the configuration of open space with consideration given to natural features and the need for access connections and parking;
2. Identify an entity to own and manage the open space;
3. Negotiate and purchase the open space from G-P through the leadership of the Coastal Conservancy;
4. Develop a plan for access, facilities and maintenance of the open space;
5. Consider establishing a benefit assessment district to pay for long term open space maintenance;
6. Consider what exactions and dedications might be required of future development on the Mill Site for open space, recreation and access facilities;
7. Consider the effects of site remediation requirements on timing of open space transaction.

STRATEGY 4.2 EXPLORE THE FEASIBILITY OF ESTABLISHING A PERFORMING ARTS CENTER

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| Description | A high quality performing arts center would be a welcome community asset and add strong visitor appeal to Fort Bragg. A variety of local high quality performing arts organizations currently bring lively cultural events to the Mendocino Coast. And while many have successful performance histories of 20 years or more, current performance spaces are physically deteriorating and technically inadequate. A new performing arts center could serve existing arts organizations and also increase Fort Bragg's attractiveness to performing arts and commercial performers of all types, which in turn would draw regional tourists. Such a center would also serve community and tourist serving events such as Wine and Crab Festival, the Mendocino Music Festival, Symphony of the Redwoods, Redwood Coast Whale and Jazz Festival, Fort Bragg Whale Festivals and more. |
| Responsibility | City of Fort Bragg, Mill Site developer and non-profit arts entities. |
| Feasibility | There is very strong interest in a new performance space as existing performing arts and community facilities in Fort Bragg and Mendocino are inadequate to meet the performing space requirements of existing theater, music and dance performance companies on the Mendocino Coast. Utilization of most spaces is high at 60 to 80 percent, but rates are relatively low at \$350 to \$800 per day, indicating price sensitivity among renting organizations. A performing arts facility would have stronger market support if it is synergistically co-located with a resort hotel or other attraction and includes meeting space. |
| Project Cost | \$1.5 - \$4 million for construction, \$15,000 for facility feasibility study. Performing arts centers typically generate sufficient revenue from facility rentals to cover operating costs and very limited debt financing; hence most of this project would have to be funded through grants and donations. Potential funding sources include the State Infrastructure Bank, CDBG, Redevelopment Agency, Mill Site developer and sweat equity. |
| Expected Effects | |
| <u>Employment:</u> | Likely impact on employment limited to small increases in performing arts jobs and hospitality sector jobs. |
| <u>Fiscal Effects:</u> | Increased retail sales taxes and bed taxes (TOI) as cultural tourists tend to stay longer and spend more than other types of tourists. |
| Next Steps | |
| | <ol style="list-style-type: none">1. Convene a meeting of performing arts organizations to test and develop a project concept.2. Complete a comprehensive market analysis, preliminary project design, development program and feasibility study (proformas analysis) for the facility.3. Decide whether to proceed with facility4. Develop a legal framework for building ownership and management.5. Seek initial equity and site control.6. Complete a feasibility study for a capital campaign and initiate the capital campaign. |

7. Select the project team, including the architect; mechanical, electrical, and structural engineers; and the construction project manager through an RFP process.
15. Undertake design and engineering activities.
16. Obtain necessary entitlements (zoning variances, permits, etc.).
17. Obtain project financing and bond guarantee.
18. Undertake construction; hire permanent staff; manage facility.

STRATEGY 4.3 EXPLORE THE FEASIBILITY OF ESTABLISHING A CULTURAL AND NATURAL HISTORY MUSEUM

Description A high quality cultural history museum that celebrates and honors Native Pomo history and the natural history of the Mendocino coast would be a welcome community asset and add visitor appeal to Fort Bragg. Pomo elders would like the museum to include an overview of local Pomo history as expressed in historical objects as well as a living museum with opportunities for Pomo and other Native American cultural events. Many community members have also expressed support for a natural history or nature interpretive program as well.

Responsibility City of Fort Bragg, Mill Site developer and non-profit entities.

Feasibility A feasibility analysis is beyond the scope of this project.

Project Cost Estimated \$1 - \$2 million for construction and \$300,000 to \$500,000 for exhibits. Museums do not typically generate sufficient revenue from memberships and admissions to cover operating expenses, so a successful project would also call for an endowment.

Expected Effects

Employment: Impact on employment limited to small increases in hospitality sector jobs.

Fiscal Effects: Increased retail sales taxes and bed taxes (TOT) as cultural tourists tend to stay longer and spend more than other types.

Next Steps

1. Convene a meeting of interested parties and Pomo elders to develop a project concept.
2. Complete a capital campaign feasibility analysis
3. Complete a preliminary project design development program and proformas for the facility
4. Decide whether to proceed with project
5. Form a 501(c)3 to operate and own the museum
6. Begin capital campaign and gain site control
7. Develop the project team, including a museum and exhibit consultant, architect; engineer; and construction manager.

8. Undertake design and engineering activities for the facility and the exhibits
9. Obtain necessary entitlements (zoning variances, permits, etc.).
10. Obtain project financing and bond guarantee.
11. Undertake construction; hire permanent staff; manage facility.

STRATEGY 4.4 ESTABLISH A PEDESTRIAN-FRIENDLY PUBLIC GREEN TO CONNECT DOWNTOWN FORT BRAGG TO THE COAST

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| Description | Fort Bragg and the Central Business District have long been excluded from access to the City’s coast. A pedestrian-friendly Public Green would connect Soldiers Point with downtown Fort Bragg and provide both a community and visitor amenity. However, it is important that this feature is sited to enhance the downtown. The best location for the Public Green would be directly to the west of Redwood Avenue on the slight ridge that extends to Soldiers Point. |
| Responsibility | City of Fort Bragg |
| Program Cost | The cost will depend on the size and the accessed value of the Public Green land. The purchase cost would likely be born by the State of California as part of the wider open space conservation purchase. However, the City would likely pay for the long-term maintenance of the open space feature. |
| Feasibility | High, based on interest from the Coastal Conservancy |
| Expected Effects | |
| <u>Fiscal Effects:</u> | Slight increase in maintenance and policing costs of the open space. These costs could be off-set by a special district fee. |
| <u>Employment:</u> | No direct employment, though additional retail jobs will certainly be generated by the increased attractiveness of the downtown to retail activity. |

Next Steps

1. Undertake planning process to decide Public Green location and layout. Insure that the Public Green supports existing CBD and highlights the site’s natural features and views.
2. Identify an entity to own and manage the Public Green.
3. Negotiate and purchase the Public Green from G-P with the leadership of the Coastal Conservancy
4. Develop a Public Green management plan;
5. Consider establishing a benefit assessment district to pay for Public Green maintenance;

GOAL 5: IMPROVE INTEGRATION BETWEEN RESIDENTS AND JOB OPORTUNITIES

STRATEGY 5.1 SUPPORT WORKFORCE TRAINING PROGRAMS OF THE COLLEGE OF THE REDWOODS AND OTHERS

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| Description | Many California community colleges regularly provide workforce training courses which are geared to the specific needs of a business or group of businesses. Typically these courses are one or two days in length (instead of a semester) and customized to meet the specific training needs of a business. The cost of the training is covered by the State of California with each business paying \$17 per unit for each employee in a class. In addition, many community colleges also provide basic work skill training programs for individuals to improve their general work skills. These programs are typically managed by a staff person at the community college. Business owners and the Chamber of Commerce could work together with the College of the Redwoods to identify training needs and schedule workforce training and work skills workshops. An active workforce training program would improve the skills and knowledge of area workers and business performance. |
| Responsibility | College of the Redwoods, area business owners |
| Program Cost | Marginal increase in operating cost to the College of the Redwoods, offset by additional revenue from the State |
| Feasibility | Moderate, depends on employer interest and College of the Redwoods |
| Expected Effects | |
| ▪ <u>Fiscal Effects:</u> | None |
| ▪ <u>Employment:</u> | No direct impact. Potential for better match between local residents and employment opportunities. |
| Next Steps | |
| 1. | Convene a meeting of the College of the Redwoods Vice President, area business owners, the Chamber of Commerce and City staff to discuss needs and begin process. |

STRATEGY 5.2 ENCOURAGE QUALITY JOB CREATION IN REUSE STRATEGY FOR THE MILL SITE

Description The City of Fort Bragg can use its zoning power to insure that sufficient Mill Site land is set aside during the specific planning process for job creation and business activities. By providing a mix of zoning designations on the site, especially light industrial, industrial, and commercial the City can help balance job creation with other potential site uses such as housing and open space.

Responsibility City of Fort Bragg

Program Cost None

Feasibility High

Expected Effects

Fiscal Effects: Job creation will increase tax revenues and expenditures.

Employment: 100 - 500 jobs

Next Steps

1. Reinforce quality job creation as a Mill Site reuse and planning principle
2. Encourage the designation of light industrial, commercial, industrial, and mixed-use zones in Specific Plan

GOAL 6: PROVIDE ADEQUATE INFRASTRUCTURE

STRATEGY 6.1 NEGOTIATE AND RETAIN WATER RIGHTS OF G-P MILL SITE

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| Description | The City is in dialogue with Georgia-Pacific about the best means of assuring that the G-P water rights are secured for the benefit of future development at the Mill Site. |
| Responsibility | City of Fort Bragg |
| Program Cost | None |
| Feasibility | High and critical to success of reuse effort |

Next Steps

1. The City's water rights attorney is performing an initial review of documentation regarding G-P's water rights on the Noyo and Pudding Creek.
2. City will continue dialogue with G-P about the best means of assuring that the water rights are secured for the benefit of future development on the Mill Site.
3. Transfer water rights to the City of Fort Bragg

STRATEGY 6.2 REPAIR CITY INFRASTRUCTURE

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| Description | Many city streets suffer from over 30 years of deferred maintenance, however the City has developed a plan to deal with the damage resulting from deferred maintenance. In addition, the City's waste water system, sewage treatment plant and Information Technology infrastructure is all in need of capital investments. |
| Responsibility | City of Fort Bragg |

GOAL 7: PROMOTE AND SUPPORT FORT BRAGG AS A SUSTAINABLE COMMUNITY

STRATEGY 7.1 ENCOURAGE SUSTAINABLE PRACTICES

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| Description | <p>Sustainable development plays an increasingly important role in community economic, social and environmental health. Numerous cities, counties and states have adopted green building, storm water management, waste reduction, alternative energy, and sustainable planning programs. The City of Fort Bragg can also encourage sustainable practices both on and off the Mill Site through its regulatory powers and by providing incentives. The City could undertake the following actions to encourage sustainable practices:</p> <ol style="list-style-type: none">1. Develop an approval process for the incorporation of green building technologies and techniques into residential, commercial, industrial and institutional construction.2. Where possible encourage retention of natural terrain, views, drainage and vegetation during site development projects.3. Preserve superior examples of terrain and vegetation within parks.4. Encourage a Mill Site design which helps to conserve resources and minimizes waste by encouraging pedestrian friendly development, bike paths, a tertiary treatment marsh for the sewage treatment plant, and a construction and demolition debris management plan.5. Require efficient water use through the use of natural drainage, drought tolerant landscaping and water conservation and recycling in new development projects.6. Orient streets so that buildings can take advantage of solar gain and increase energy efficiency. |
| Responsibility | City of Fort Bragg, Mill Site developer, area builders and developers, consumers |
| Program Cost | \$10,000 to \$20,000 to develop a green building policy and provide green building training for City staff. |
| Feasibility | Moderate as green building projects have higher up-front design costs but lower long-term operating costs |
| Next Steps | <ol style="list-style-type: none">1. Consider the adoption of voluntary green building guidelines, encourage the use of sustainable building technologies2. Work with the Mill Site developer to incorporate sustainable practices into the Mill Site Specific Plan |

STRATEGY 7.2 ENCOURAGE LIVABLE COMMUNITIES CONCEPT IN NEW MILL SITE SPECIFIC PLAN

Description

The City of Fort Bragg should encourage and support the integration of livable community principles into the development and integration of the Mill Site with Fort Bragg. To protect the natural environment and increase quality of life, the City should use compact land use patterns that ensure a mix of uses, minimize the impact of cars, and promote walking and bicycling access to employment, education, recreation, entertainment, shopping, and services. Development and infrastructure investments should reinforce these land use patterns. The Ahwahnee Principles form the basis of the livable community concept and have been slightly reworded below to better apply to the Mill Site and its integration into Fort Bragg.

1. The Specific Plan should integrate the Mill Site with Fort Bragg and contain a mix of housing, shops, work places, parks and civic facilities essential to the daily life of residents.
2. The site should be designed so that housing, jobs and other activities are within easy walking distance of each other.
3. As many activities as possible should be located within easy walking distance of downtown.
4. The site should contain a diversity of housing types for a range of economic levels and age groups.
5. The site should include a mix of businesses that provide a range of job types for the community's residents.
6. The site should have a center focus or "heart" that combines commercial, civic, cultural and recreational uses.
7. The site should contain an ample supply of specialized open space in the form of squares, greens and a coastal trail whose frequent use is encouraged through placement and design.
8. Public spaces should be designed to encourage the attention and presence of people.
9. Streets, pedestrian paths and bike paths should contribute to a system of fully-connected and interesting routes to all destinations.

Responsibility

The Developer (through the development and implementation of the Specific Plan) and the City (through the evaluation and approval process for the Specific Plan).

Program Cost

Unknown

Feasibility

Sustainability principles are a commonplace addition to general and specific planning. There is significant market support for housing and commercial space within livable communities as they typically capture higher rents and sale prices than similar properties in more conventional communities.

Expected Effects

Fiscal Effects:

No fiscal impact on the City.

Employment:

Studies have shown that housing, retail and commercial developments that incorporate livable community features are more attractive to employers and workers than comparable developments which do not incorporate these features.

Next Steps

1. Require the Mill Site developer to incorporate livable community principles into the development of the specific plan.

GOAL 8: PROMOTE AND SUPPORT FORT BRAGG AS A TOURIST DESTINATION

STRATEGY 8.1 ATTRACT A RESORT HOTEL AND CONFERENCE CENTER AND TO THE MILL SITE

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|-------------------------|--|
| Description | Fort Bragg currently supplies most affordable lodging options along the North Coast, yet it offers few high-end rooms. The current hotel stock has average annual occupancy rates at or below 50 percent, indicating that the current supply of budget and moderate rooms is sufficient to meet demand. However a resort hotel offers an attractive opportunity to increase tourism and expenditure capture of more affluent visitors who are not currently served by the Fort Bragg lodging. A resort or high-end hotel would create jobs and generate significant revenues for the City of Fort Bragg from sales tax and transient occupancy tax (TOT) proceeds. Resort hotels often provide a mix of attractive amenities such as conference center and recreation facilities, event space and high quality restaurants. Community members envision a quality resort development similar to Asilomar in Pacific Grove California. Asilomar offers 315 guestrooms, 27,000 square feet of meeting space, and a 650 seat theater on 100 acres. |
| Responsibility | Resort hotel operator, City of Fort Bragg for zoning approval |
| Program Cost | No cost to the City |
| Feasibility | The Mill Site's unique environmental assets and central location, the lack of local competition in the luxury niche, and likely growth in high-end lodging demand suggest good prospects for this development option. |
| Expected Effects | |
| <u>Fiscal Effects:</u> | Significant increase of Transit Occupancy Tax revenue |
| <u>Employment:</u> | Significant increase in tourism and retail jobs |
| Next Steps | <ol style="list-style-type: none">1. Identify community support/opposition to a resort or high-end lodging option.2. Work proactively with resort/high-end hotel operator and community to shape project location, design, massing, access and amenities. |

STRATEGY 8.2 NEGOTIATE TAX SHARING AGREEMENT WITH THE COUNTY FOR NOYO HARBOR OR CONSIDER HARBOR ANNEXATION

Description Currently Noyo Harbor is within the City’s realm of influence but remains legally part of the County. However Noyo Harbor is physically bounded on all sides by the city and is intimately tied to the city’s economy. In order to more effectively integrate economic development goals for the Noyo and the city, the City of Fort Bragg should negotiate a Tax sharing agreement with the County or annex Noyo Harbor.

Responsibility City of Fort Bragg

STRATEGY 8.3 ESTABLISH A COMMUNITY “GATEWAY” ENTRANCE TO FORT BRAGG

Description Currently there is no official gateway to define the entrance to Fort Bragg and connect the City to Highways 20 and Highway 1. A gateway would help to define Fort Bragg’s character, increase the attractiveness of the community to visitors and direct visitors to important destinations within the city.

Responsibility City of Fort Bragg

Project Cost \$20,000 to 100,000 depending on design

Next Steps

1. Hire architect to assist with sign/gateway design and placement.
 - a. The architect should identify appropriate location for welcome gateway/signage
 - b. Develop gateway/signage design
2. Hire contractor to create and install welcome gateway/sign

STRATEGY 8.4 CONTINUE TO PROVIDE EXCELLENT TOURISM MARKETING EFFORTS AND SUPPORT ECO-TOURISM

| | |
|-------------------------|--|
| Description | Tourism marketing for the City of Fort Bragg is currently undertaken primarily by the Mendocino County Alliance, a non-profit organization which receives funding from the County's Transit Occupancy Taxes. Since these taxes are collected from the unincorporated portions of the County, the Alliance is focused primarily on increasing tourism in the unincorporated areas of the county, which does not include the City of Fort Bragg. In addition, the City attractiveness as a tourism destination is improving and the rate of change will increase with the establishment of a coastal trail and development of the Mill Site. Fort Bragg's reputation and brand identity has not kept pace with the changes that have and will take place in the community. To many visitors, Fort Bragg is a second cousin to Mendocino. The City could work in partnership with the Fort Bragg Chamber of Commerce and other business groups to increase marketing of Fort Bragg as a tourist destination; including: refinement of the promotional website, advertisements in the travel section of magazines and newspapers, article placement in travel magazines, the purchase of local and regional radio spots, sponsoring events and more. |
| Responsibility | Chamber of Commerce, City of Fort Bragg, local hospitality businesses |
| Program Cost | \$20,000 - \$100,000 per year depending on level of activity |
| Feasibility | A partnership between the City and Fort Bragg tourism serving businesses could make this project financially feasible. |
| Expected Effects | |
| <u>Fiscal Effects:</u> | Increase Transient Occupancy Taxes |
| <u>Employment:</u> | Increase hospitality sector employment |
| Next Steps | |
| | <ol style="list-style-type: none">1. Meet with Chamber of Commerce and other local hospitality oriented business groups to gauge interest in a joint effort2. City Council to consider using a portion of TOT revenue for tourism marketing efforts3. Develop and implement a promotional program |

STRATEGY 8.5 CONSIDER HOW TO CAPITALIZE ON THE SKUNK TRAIN

Description

The Skunk Train, long recognized as an important tourism serving asset may play a roll in job creation on the Mill Site. The cost of shipping to and from Fort Bragg is a challenge for area manufacturers and retailers. The new Skunk Train owner/management is interested in using the Skunk Train to transport materials, garbage and freight to and from the Coast to help alleviate this barrier to business and job growth. The City of Fort Bragg could work with the Skunk Train operator and the Mill Site developer to facilitate and explore the feasibility and desirability of freight hauling by the Skunk Train. The utilization of the Skunk Train for such activities would create noise, dust and smell impacts on adjacent residential and commercial neighborhoods.



Responsibility

Sierra Railroad, City of Fort Bragg

Feasibility

Unknown, however trucks have continued to out-compete railroad freight operations for the past thirty years. It is unlikely that Fort Bragg generates sufficient freight hauling requirements to support the operation of a freight train with regular enough service to be of use to local business. Absent adequate rail connections in Willits increased freight handling in Willits would likely make this proposal infeasible.

Expected Effects

- Fiscal Effects: Freight operations may reduce the desirability of the site for tax generating uses such as resort, commercial and residential developments.
- Employment: Freight operations are likely to reduce employment overall at the Mill Site.

Next Steps

1. Dialog with Sierra Railroad about how to best integrate the Skunk Train into future development at the G-P Mill Site.
2. Insure that Skunk Train operations do not interfere with viable economic activities on the site.

APPENDIX A: COMPANION REPORTS

Volume I: Georgia-Pacific Mill Site Reuse Study.

This final report highlights the community's planning principles and three Mill Site land use alternatives.

Volume II: Demographic and Market Analysis.

The Background and Market Analysis Report provides background analysis which supports and informs this economic development strategy. The report analyzes Fort Bragg's demographic and economic trends, describes market support for a variety of land-uses and specific projects, and summarizes other reports prepared for the City of Fort Bragg and the G-P Mill Site. Key Findings from this report include:

- Strong market support for housing, light industrial, and resort hotel uses on the site.
- Limited market support for new retail and office uses on the site.
- No current market support for additional economy hotels on the site.

Volume VI: Economic Development Tools and Resources.

This report highlights funding sources for a wide range of economic development activities and describes agencies and organizations which have economic development responsibilities in Mendocino County.

Volume V: Community Survey, Focus Group, and Key Informant Interview Study.

This report summarizes the economic development and Mill Site reuse preferences of the community. Key findings from this study include:

- Agreement among the various constituencies and key informants about priorities and concerns for the G-P Mill Site.
- Key priorities for Fort Bragg as a whole include: diversification of the employment base and increasing the number of well-paying jobs, building upon and respect of Fort Bragg's small town character, and support for tourism and destination uses.
- The community supports a number of new uses for the Mill Site, including: a coastal bluff walking trail, a fine arts center, a culture and history museum, a resort hotel and conference center, a marine sciences lab and/or a small college, a mix of housing, light industrial businesses and development which respects the character of the town, is integrated with the town, and does not compete with the Central Business District.