

**JOINT RESOLUTION
RESOLUTION NO. 2888-2005**

**RESOLUTION OF THE FORT BRAGG CITY COUNCIL ADOPTING A MEMORANDUM OF
UNDERSTANDING WITH GEORGIA-PACIFIC CORPORATION REGARDING
PREPARATION OF A SPECIFIC PLAN FOR THE GEORGIA-PACIFIC MILL SITE
PROPERTY**

and

RESOLUTION NO. R120-2005

**RESOLUTION OF THE FORT BRAGG REDEVELOPMENT AGENCY ADOPTING A
MEMORANDUM OF UNDERSTANDING WITH GEORGIA-PACIFIC CORPORATION
REGARDING PREPARATION OF A SPECIFIC PLAN FOR THE GEORGIA-PACIFIC MILL
SITE PROPERTY**

WHEREAS, the Georgia-Pacific Mill Site property consists of approximately 400 acres of land that occupies nearly the entire coastline of the City of Fort Bragg and makes up about one-third of the land in the City; and

WHEREAS, the Mill Site represents the single largest potential development opportunity in the City of Fort Bragg's future; and

WHEREAS, conversion of the former mill site to other uses makes it possible for Fort Bragg to embrace its coastline—a resource with tremendous scenic and recreational potential; and

WHEREAS, successful reuse of the Mill Site has the potential to create an "economic engine" for the local and regional economy and to help redefine the City's image in the post-timber era; and

WHEREAS, over the past two years, the Fort Bragg City Council and Fort Bragg Redevelopment Agency have engaged in a community planning process for reuse of the Georgia-Pacific Mill Site property; and

WHEREAS, the City Council/Redevelopment Agency have adopted a "Statement of Position" regarding reuse of the Mill Site that is intended to "set the stage" regarding the City's expectations for future development on the Mill Site.

WHEREAS, the City and Georgia-Pacific Corporation have agreed to work cooperatively towards preparation of a specific plan for the Mill Site consistent with the "Statement of Position."

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg hereby approves a Memorandum of Understanding with Georgia-Pacific Corporation regarding preparation of a specific plan for the Mill Site property, as shown on "Exhibit A" and authorizes and directs the City Manager to execute said Memorandum of Understanding on behalf of the City.

BE IT FURTHER RESOLVED that the Agency Board of the Fort Bragg Redevelopment Agency hereby adopts a Memorandum of Understanding with Georgia-Pacific Corporation regarding preparation of a specific plan for the Mill Site property, as shown on "Exhibit A".

The above and foregoing Resolution was introduced by Council/Agency Member Melo, seconded by Council/Agency Member Baltierra, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg and Fort Bragg Redevelopment Agency held on the 12th day of September, 2005, by the following vote:

AYES: Council/Agency Members Gjerde, Baltierra, Hammerstrom, Melo, and Mayor/Chair Turner.
NOES: None.
ABSENT: None.
ABSTAIN: None.



**Dave Turner,
Mayor/Chair**

ATTEST:

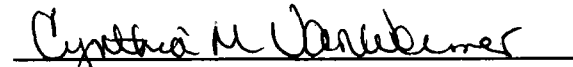

**Cynthia M. VanWormer, CMC
City Clerk/Secretary**

EXHIBIT "A"

MEMORANDUM OF UNDERSTANDING

This is a MEMORANDUM OF UNDERSTANDING ("MOU") by and between the CITY OF FORT BRAGG ("City")¹, a municipal corporation, and GEORGIA-PACIFIC CORPORATION ("G-P"), a Georgia corporation, and is dated for the convenience of the parties this ____ day of _____, 2005.

RECITALS

1. G-P owns certain real property in the City consisting of approximately 417 acres historically used as a lumber and forest products mill ("Mill Site").
2. G-P has closed the mill and is currently removing certain improvements, and plans to undertake various site remediation activities. It currently plans to sell the Mill Site or portions thereof to one or more developers.
3. Since the Mill Site represents approximately one-third of the incorporated area of the City and is situated along the entire Pacific Ocean coastline of the City, the sale and development of the Mill Site is of critical importance and consequence to the City and its residents.
4. The City has undertaken community discussions and preliminary land use analyses regarding the Mill Site. This has resulted in the preparation of a "Statement of Position" which identifies land use concepts, infrastructure needs, remediation expectations, open space and park acquisition goals, and financing requirements for the redevelopment of the Mill Site.
5. G-P has conducted preliminary land use planning for the Mill Site, including community outreach programs and the preparation of preliminary land use concepts for eventual development of the Mill Site.
6. G-P currently intends to prepare a Specific Plan for the Mill Site and has agreed to work cooperatively with the City towards the preparation of this Specific Plan consistent with the "Statement of Position."

NOW, THEREFORE, for good and adequate consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

A. G-P will, working closely and in cooperation with the City, undertake further detailed land use studies and analyses consistent with the attached "Statement of Position" (Attachment No. 1). Such studies will provide G-P with a basis for preparing a proposed Specific Plan for the Mill Site, and proposed amendments to the City's General Plan, zoning ordinance, and local coastal plan.

B. Based upon the foregoing, G-P, working closely and in cooperation with the City, intends to prepare a proposed Specific Plan pursuant to the provisions of the Government Code, and proposed amendments to the City's General Plan, zoning ordinance, and local coastal plan. G-P and the City will

¹ "City" shall be deemed throughout this Agreement to include, where appropriate, the Fort Bragg Redevelopment Agency.

endeavor to jointly agree upon a process and schedule for the preparation and evaluation of said documents, with the goals, among others, of developing proposals that are consistent with the attached "Statement of Position," reflect community interest in development of the Mill Site, and that may be approved both by the City and the California Coastal Commission.

C. The City will process and consider for approval the proposed Specific Plan, and proposed amendments to the City's General Plan, zoning ordinance, and local coastal plan, and provide the appropriate level of environmental and public review for those documents and activities.

D. G-P will reimburse the City for all reasonable and prudent City expenses for its work involving G-P's planning for the Mill Site, and for related environmental review and assessments, including without limitation, environmental and fiscal consultants, engineers, planners and attorneys (all such expenses are hereinafter referred to as "Site Planning Expenses"), consistent with established City policy governing cost recovery for new development.

G-P will reimburse the City for all Site Planning Expenses through a "developer deposit account" (which has already been established) whereby G-P will deposit an initial sum of Thirty Thousand Dollars (\$30,000.00) which amount will be applied to satisfy G-P's reimbursement obligation to the City. The City shall deduct from the G-P developer deposit account such sums as are necessary to reimburse the City for Site Planning Expenses as, and when the City incurs such Expenses. G-P shall be required to replenish the developer deposit account in an amount reasonably requested by the City when the amount remaining in the G-P deposit account reaches a remaining balance of less than \$5,000 and/or the balance is less than is necessary to reimburse reasonably foreseeable expenses for the next 90 days, whichever occurs first. If G-P elects to not continue with the Specific Plan process, or G-P has objected to prior expenditures by the City of deposit account funds and that objection(s) has not been resolved to G-P's satisfaction, G-P shall have no further obligation to replenish the deposit account. If G-P elects to not replenish the deposit account as and when described above, City shall have no obligation to expend additional funds or resources on reviewing or processing any materials, applications or submittals, relating to any approvals, entitlements and/or the Specific Plan.

Site Planning Expenses incurred by the City for engineering, planning, legal, or other City staff resources related to the planning and potential development of the Mill Site, including without limitation, a Specific Plan, amendments to the City's General Plan, zoning ordinance, and local coastal plan, CEQA review and documentation, and related activities, shall be reimbursed by G-P based on the City's Fee Schedule, which may be updated from time to time to reflect the actual costs being incurred by City for such services. Costs incurred by the City for consultants and other appropriate professional services whose fees are not prescribed in the City's Fee Schedule shall be reimbursed from the developer deposit account based on fees actually incurred by the City, pursuant to a Professional Services Agreement approved by the City, subject to prior review and approval of the proposed Scope of Work by G-P, which approval shall not unreasonably be withheld.

E. The City shall, at the appropriate time, adopt a Specific Plan Fee in accordance with Government Code §65456, which will be imposed on new development on the Mill Site. To the extent G-P advances costs to the City pursuant to this MOU, the City will, at the request of G-P, reimburse G-P from such Specific Plan Fee revenues when such revenues are paid to and collected by the City and after the City has been fully reimbursed for its Site Planning Expenses (including costs of administering the Specific Plan) whether by advance payments made by G-P or from revenues from the Specific Plan Fee.

F. This MOU is not and shall not be construed to be an agreement or commitment to approve or disapprove a Specific Plan, amendments to the City's General Plan, zoning ordinance, and local coastal plan, and the City retains the full discretion entrusted to it under California law with respect to any such proposals made by G-P. Likewise, this MOU is not and shall not be construed to be an agreement or commitment with regard to any actions required by CEQA, or to any specific land use or land use project whatsoever. Rather, it is solely and exclusively an agreement to meet and confer in good faith, to conduct the efforts described herein, and to provide for the appropriate reimbursement from G-P to the City of its costs incurred in relation thereto.

This agreement is not a project subject to CEQA and does not represent an irrevocable commitment to approve any project which may have an effect on the environment. Full and complete environmental review will be undertaken by the City as lead agency as required by law during the Specific Plan adoption process.

G. G-P agrees that, to the extent feasible, any remediation proposed in the Remedial Action Plan will be consistent with such end uses as may be determined by the Specific Plan.

H. G-P will provide the City, and any authorized officials, agents and representatives of the City, with a right of entry on the portions of the Mill Site that will be acquired, dedicated or donated, for the purpose of site inspections, testing or other activities that are necessary and/or appropriate for the City to conduct its due diligence, which may include related site assessment activities. The form of a "right of entry" shall be reviewed and approved by counsel for G-P and the City. The City shall not exercise any such right of entry without prior notification to G-P.

I. Any and all documents, drawings, reports, studies, graphic representations, maps, digital media, and all other materials relating to site assessment and remediation, or preparation of the proposed Specific Plan, including proposed amendments to the City's General Plan, zoning ordinance, and local coastal plan, CEQA review and documentation, and related activities (all of which are individually and collectively referred to as "Specific Plan Work Product") produced by G-P, the City, or any of the consultants, contractors, representatives, or agents of either of them, that are provided, or made available, to both parties shall be deemed "shared" documents for purposes of continued use. The City shall have a right to use any and all Specific Plan Work Product, regardless of who produced such Work Product and regardless of whether G-P proceeds with completion of the Specific Plan process. G-P shall have the absolute right to sell, assign or otherwise transfer any and all Specific Plan Work Product to any third party for any reason whatsoever, subject only to the City's right to use the same. "Specific Plan Work Product" as used in this MOU shall not be deemed to include any proprietary, confidential or privileged information, except as otherwise may be provided herein.

J. By entering into this Memorandum of Understanding, G-P does not commit to completing the efforts described herein to prepare and complete a Specific Plan pursuant to the provisions of the Government Code, or the proposed amendments to the City's General Plan, zoning ordinances, and local coastal plan. G-P retains the discretion to take other steps as it deems appropriate with regard to the development or disposition of the Mill Site or portions thereof.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed as of the date and year first above written.

GEORGIA-PACIFIC CORPORATION, a Georgia corporation

By: _____
(name, title)

Date: _____

CITY OF FORT BRAGG, a municipal corporation

By: _____
City Manager

Date: _____

Attest:

By: _____
City Clerk

Approved as to Form:

City Attorney

Approved as to Form:

Counsel for Georgia-Pacific

STATEMENT OF POSITION

REGARDING REUSE OF THE GEORGIA-PACIFIC MILL SITE

INTRODUCTION

The Georgia-Pacific Mill Site property consists of approximately 400 acres of land that occupies nearly the entire coastline of the City of Fort Bragg and makes up about one-third of the land in the City. The Mill Site represents the single largest potential development opportunity in the City of Fort Bragg's future. Conversion of the former timber mill site to other uses makes it possible for Fort Bragg to embrace its coastline—a resource with tremendous scenic and recreational potential. Successful reuse of the Mill Site has the potential to create an “economic engine” for the local and regional economy and to help redefine the City's image in the post-timber era.

The Fort Bragg City Council/Fort Bragg Redevelopment Agency has adopted this “Statement of Position” to present the City's objectives for reuse of the Mill Site as defined through the community planning process. This Statement of Position also provides other information about the City's positions on other factors affecting the development potential of the Mill Site including site remediation, the entitlement process, fiscal policies, and the need for public infrastructure and services. The City Council is enthusiastic about the prospects for reuse of the Mill Site as a new part of Fort Bragg's economy, urban fabric, and as a recreational resource for residents and visitors alike.

PLANNING FRAMEWORK

1. In 2003, the City Council/Redevelopment Agency initiated a community planning process to involve local residents in exploring a vision for reuse of the Mill Site and to investigate the economic viability of potential reuse opportunities. Community input was solicited through a survey of local residents, interviews of stakeholder focus groups and key public representatives, and three well-attended community planning workshops. The process included several technical analyses: a comprehensive demographic and market analysis; a summary of economic development strategies for the Mill Site and the City at-large; a compendium of economic development tools and resources to achieve desired goals; and a framework for open space acquisition on the Mill Site. The nine-month community planning process culminated in three primary products that focus on reuse of the Mill Site: (1) a set of 17 “community-based planning principles” to guide development of the Mill Site, (2) a land use framework that describes potential reuse options and conceptual development areas that meet both community and market-based criteria; and (3) a map and an acquisition plan for public open space along the coast of the Mill Site.

The City Council/Redevelopment Agency intend that the results of this initial community planning effort will help inform the future preparation of a Specific Plan (or Plans) for future development of the Mill Site. By endorsing the goals and ideas generated in the community planning process, the City does not intend to preclude other proposals or visions for the Mill Site, since alternative proposals might also eventually receive community support.

2. The City Council/Redevelopment Agency endorse and recommend the Community-Based Planning Principles for Mill Site Reuse as described in a document titled *City of Fort Bragg Georgia-Pacific Mill Site Reuse Study, Volume 1 – Land Use Principles and Concepts* (September 2004) and summarized below. The City Council/Redevelopment Agency expect that development proposals that are consistent with these principles will likely receive community support, thus minimizing local entitlement delays.

Environmental Resources:

- Create a public coastal trail along the blufftop
- Provide a variety of open space uses
- Establish and protect view shed and view corridors
- Protect and enhance environmental, cultural, and historic resources
- Encourage incorporation of “smart growth” concepts for building and site design and low impact infrastructure for new development

Physical Development Patterns:

- Extend the City street grid onto the Mill Site
- Establish a balanced circulation system
- Provide an urban development land use pattern
- Provide a strong connection between downtown and the coast
- Ensure that new development respects and complements existing development
- Take advantage of infill opportunities throughout the City to meet community needs rather than concentrating all new development on the Mill Site

Economic Vitality:

- Emphasize creation of quality jobs and expansion of the local economy
- Ensure that new retail complements and does not undermine the vitality of the historic downtown
- Ensure adequate facilities, services and infrastructure
- Allow development to occur in phases to take advantage of future economic opportunities
- Concentrate visitor-serving uses and cultural and community facilities within walking distance to the existing downtown
- Ensure that new development has a net positive fiscal impact on the City

3. The City Council/Redevelopment Agency endorse and recommend the Land Use Concepts for Mill Site Reuse as described in a document titled *City of Fort Bragg Georgia-Pacific Mill Site Reuse Study, Volume 1 – Land Use Principles and Concepts* (September 2004) and summarized below. The land use concepts represent a current

community consensus about potential reuse options for the Mill Site. These concepts do not necessarily represent the final view of the City and they are not an officially adopted land use plan. Development of the Mill Site will require preparation of a Specific Plan (or Plans), any necessary environmental analyses, and General Plan, Zoning and Local Coastal Plan amendments.

The Land Use Concepts for Mill Site Reuse are based on community input and the City's analysis of market demand. Six conceptual development areas were defined, each with its own "character" that could complement neighboring uses (see attached Land Use Concepts Diagram). Each area is described briefly below:

- Area A: West Fort Bragg. This area consists of approximately 52 acres at the northern end of the Mill Site. This area could provide a logical extension of adjacent residential neighborhoods with a continuation of the traditional street grid pattern.
 - Area B: North Headlands. This approximately 32-acre area sits on the northern headlands of Soldier Bay. It could provide an excellent location for a high-end resort or other visitor-serving and cultural uses, including a conference center, due to its scenic location and proximity to the downtown.
 - Area C1: Downtown Addition. This 18-acre area is envisioned as a western extension of the existing downtown Central Business District. This area appears to be well-suited for a variety of commercial and mixed-use development and its development should include pedestrian amenities consistent with the Downtown Revitalization Plan.
 - Area C2: Central Corridor. This area consists of roughly 34 acres along Main Street (State Route 1) just south of the downtown, and could accommodate a mix of commercial, light industrial, and residential uses.
 - Area D: Southern Headlands. This 120-acre area could be used for a later phase of development once residential and commercial construction near the Central Business District has been absorbed. Alternatively, this area may be used for development opportunities that are not a good fit elsewhere on the Mill Site property. Future opportunities are flexible, ranging from resort uses, light industrial uses that generate quality jobs, residential uses, or some combination thereof.
 - Area E: Southern Reserve. The City is interested in acquiring approximately 30 acres of land to be reserved for potential public benefit institutional uses, such as a marine research/education facility. The exact location for such a use has not been identified, although it would likely be located on the central part of the property in the vicinity of the Mill Pond/Soldier Bay.
4. The City Council is pursuing the acquisition of parkland, recreational areas, and open space on the Mill Site. This proposed acquisition will create a tremendously valuable public amenity, permanently protect those areas, establish a physical framework for site development, and minimize a potential source of conflict and delay for future developers.

The State Coastal Conservancy is assisting the City in assembling funds for the acquisition of the open space areas. If the up-front acquisition of open space and

parkland does not occur, the City will likely require dedication of much of the proposed parkland through the land use entitlement process. In addition to this coastal parkland, the City will address the need for other recreational facilities, such as pocket parks, neighborhood parks, bicycle and pedestrian facilities, and connections to and between open space areas during the planning and entitlement process for future development on the Mill Site.

The City Council is committed to ensuring that the public open space and parkland it acquires on the Mill Site is developed, managed, and maintained as a scenic and recreational asset for the entire community.

The parkland, recreational and open space acquisition areas were defined during the community planning process and include the following components, as shown on the attached Public Land Acquisition Framework map:

- Coastal Blufftop Trail. A coastal trail will be developed along the entire coastal bluff on the Mill Site. The Coastal Blufftop Trail is envisioned as a pedestrian and bicycle trail that will connect to Glass Beach, the Pudding Creek Trestle and MacKerricher State Park at the north end of the Mill Site and to Main Street, Ocean Front Park and Noyo Bay at the south end of the Mill Site.
- Glass Beach Staging Area. An area at the north end of the Mill Site near Elm Street will be developed for a coastal access parking lot.
- North Soldier Bay Headlands. At the westerly point on the north side of Soldier Bay, the coastal parkland corridor will widen to provide enhanced opportunities for the public to enjoy the spectacular views of the bay and headlands in this location.
- Mill Pond/Central Park. The acquisition area encompasses the 8-acre Mill Pond wetland in the center of the Mill Site and the adjoining drainage swale that outlets on the beach at Soldier Bay. It also includes upland areas that will provide an open space connection between Soldier Bay and the Central Business District. This area includes the lands most heavily impacted by former industrial activities and will require remediation and restoration. The parkland near the Central Business District could provide a space for community events within or adjacent to the commercial heart of the City, provide a strong connection to the Skunk Train depot and the Guest House museum, and create opportunities for urban uses to front on the open space amenities. The parkland near and adjacent to the Mill Pond will include enhanced wetlands for scenic and habitat values. The City is also interested in having the two existing underground storm drains that discharge into the Mill Pond daylighted and restored to natural stream corridors.
- Wastewater Treatment Facility Enhancement Area. The City's wastewater treatment plant is located on the coast immediately south of the Mill Pond and is surrounded by the Mill Site to the north, east and south, and the Pacific Ocean to the west. Open space acquired in the vicinity of the treatment plant will be used to help buffer the plant and possibly for the future development of a "wetland treatment marsh" to enhance the quality of treated effluent and increase the wet-weather capacity of the treatment plant. A marsh would also provide enhanced habitat and recreational opportunities on the Mill Site.

- South Parkland. A generous extension of the coastal trail corridor is envisioned along the western edge of the south headland of the Mill Site. This broad swath of parkland will allow for a variety of park facilities and activities. Suggestions for this area received during the City's planning process included: development of a dog park; establishment of picnic grounds; community gathering space for fireworks displays and other events.
5. The City Council/Redevelopment Agency are exploring opportunities for acquisition of approximately 30 acres of property on the southern portion of the Mill Site that would be reserved for a combination of open space and potential public-benefit institutional uses, such as a marine research center or educational facility. Allowable development would be comprised of relatively small-scale, low profile and well-designed facilities that would complement the open space and recreational activities on the adjoining parklands. Such facilities are intended to diversify the local economy and provide high quality jobs. The City has obtained a planning grant from the State Community Development Block Grant program to prepare a feasibility study for a marine research facility on the Mill Site. This study will be prepared in 2005.
 6. The City Council/Redevelopment Agency and the community have expressed a strong desire for future Mill Site development to include facilities that take advantage of the unique cultural heritage of Fort Bragg. Concepts include uses that showcase the fine woodworkers of Fort Bragg, our timber history, the Pomo cultural heritage, the North Coast fishing industry, and the performing and visual arts.

ENVIRONMENTAL REMEDIATION PROCESS

7. The City Council/Redevelopment Agency expects the complete and timely clean-up of soil and groundwater contamination on the Mill Site by either Georgia-Pacific or a purchaser/developer and Georgia-Pacific is currently engaged in that process. The Agency Board is considering utilizing the Polanco Redevelopment Act process to facilitate the remediation process. The City believes that the Polanco Redevelopment Act process has many potential benefits for the public, future property owners, existing property owners and responsible parties. Regardless of whether that process is used, the Council/Agency Board believes that its participation in a review of the remedial action plan is likely to benefit the remedial process by providing greater public access to information and ensuring that the site is cleaned up to standards appropriate for the foreseeable end uses.

PLANNING PROCESS & ENTITLEMENTS

8. In 2002, the City Council adopted a General Plan and Local Coastal Plan that apply a "timber resource industrial" land use designation to the Mill Site. These plans specify that their intent, in part, is to establish a clear planning process for the transition of the Mill Site to other uses. The General Plan and Local Coastal Plan specify that any General Plan, Local Coastal Plan and Zoning amendments necessary for other uses of the site will be subject to a process involving a Specific Plan. The Council intends for the "Community-Based Planning Principles" and the broadly-defined land use

concepts of the Mill Site Reuse Study to lay the groundwork for any such General Plan, Local Coastal Plan, and Zoning amendments as well as the Specific Plan (or Plans). The Council also has identified the potential need for additional General Plan policy amendments to address future development opportunities on the Mill Site. The Council is committed to facilitating a well-structured and coordinated entitlement process through these mechanisms.

9. The City Council anticipates the following process for preparation of planning documents and processing of entitlements for new development on the Mill Site:
 - Purpose of Specific Plan: The intent of the Specific Plan(s) is to provide comprehensive planning for the Mill Site, or portions of it, that identifies the distribution, location and extent of future land uses. These documents would also plan for major components of public and private circulation, drainage, energy, water, sewer, solid waste disposal, utilities, coastal access, and other essential facilities needed to support the proposed land uses. The Specific Plan would provide standards, criteria and design guidelines for development. Depending on development priorities and phasing, the Specific Plan may be more detailed for some development components than others.
 - Lead Agency: The City of Fort Bragg will be the lead agency responsible for certification of any necessary environmental documents and approval of any Specific Plan. The City will also be the lead agency for the necessary General Plan, Local Coastal Plan and zoning amendments.
 - Role of Mill Site Developer: Any future Mill Site developer or developers will be expected to work closely with the City and its consultants in the preparation and processing of a Specific Plan. If the City chooses to retain and direct the work of the consulting team preparing the Specific Plan, the developer or developers will be expected to help define a development program which identifies development types, densities and locations; infrastructure; and capital improvement and public service financing strategies.
 - Consultant Services: The City may retain a team of consultants to assist with the preparation and processing of planning and environmental documents and entitlements. Any such consultant services will be managed by City staff and it could be necessary for the City to hire additional staff to ensure an expedient entitlement process.
 - Timing for Specific Plan Process: The City will coordinate with the developer or developers of any portions of the Mill Site to determine the appropriate timing for initiation of the Specific Plan process. Assuming the appropriate working relationship with a developer or developers, the City anticipates that any necessary environmental analyses, Specific Plan, General Plan, Local Coastal Plan and Zoning amendments can be prepared concurrently within approximately 12-18 months of initiation. The City will coordinate with the Coastal Commission and other regulatory agencies to identify and resolve potential issues to the greatest extent possible during these processes. While the City will use reasonable efforts to assure an efficient and effective planning process, the process will be complex and there are many aspects that are uncertain and difficult to control, including the actions of third party agencies and interests.

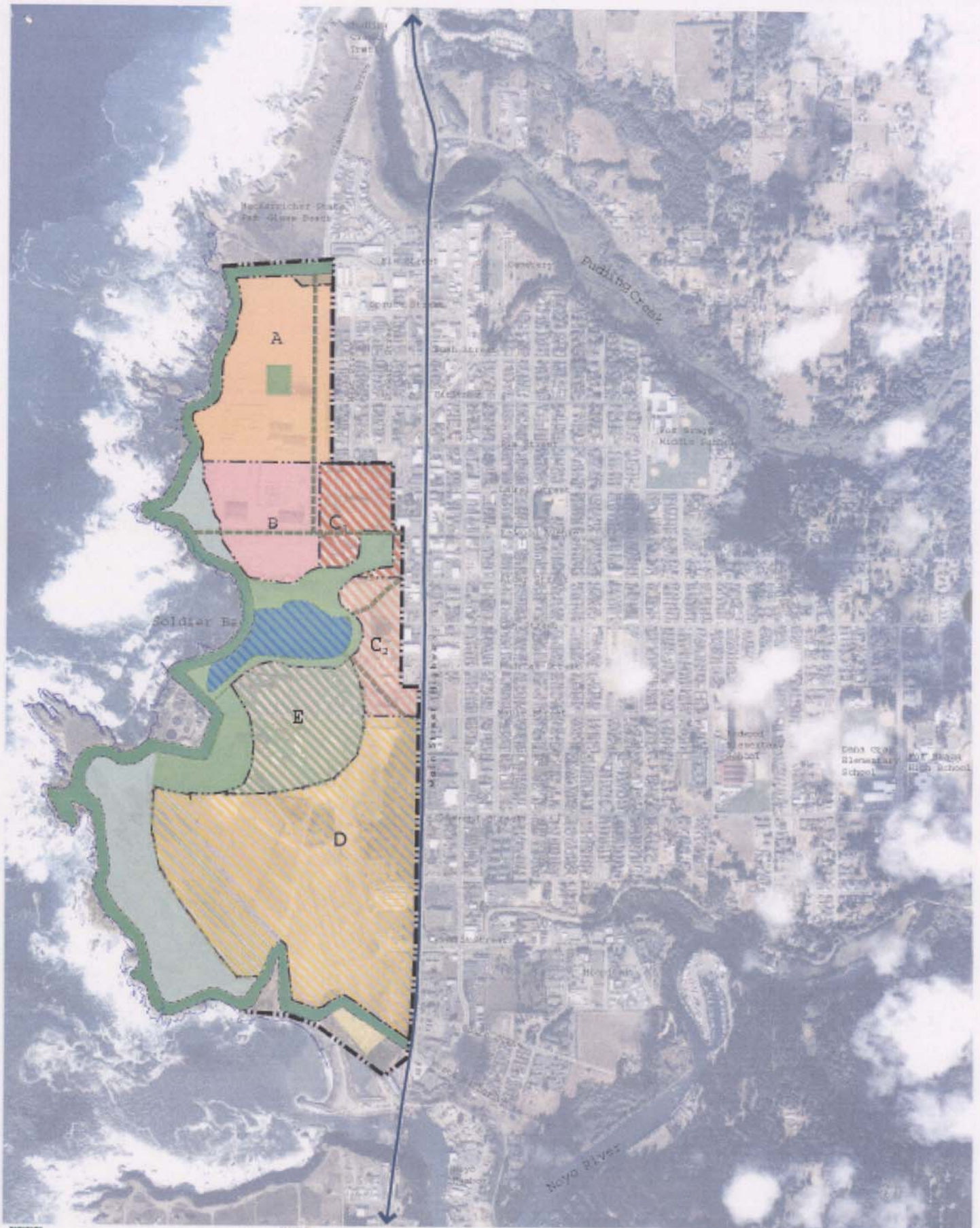
- Timing for Public Review and Adoption Process: Following preparation and submission of the Specific Plan, General Plan, Zoning and Local Coastal Plan amendment applications, the City anticipates that the preparation and public review and certification process for the environmental document, and approval of the Specific Plan and associated General Plan, Local Coastal Plan and zoning amendments will take approximately 6-12 months to complete. To the maximum extent feasible, supporting actions such as approval of development agreements, tentative maps, etc. will be bundled, to provide a streamlined entitlement process.
- Local Coastal Plan Amendment Certification Process: The Mill Site is located entirely within the coastal zone and is subject to the jurisdiction of the California Coastal Commission. Following certification of the environmental document and City approval of the Specific Plan and the General Plan, Local Coastal Plan and Zoning amendments, an application will be submitted to the Coastal Commission for certification of the Local Coastal Plan amendments. This process is likely to take 18-24 months to complete. While the City has a very good working relationship with Coastal Commission staff, ensuring the timely processing of the amendments may require additional technical support. If necessary, the City is prepared to retain government liaison consultants who specialize in moving projects through the Coastal Commission review process to help expedite the Local Coastal Plan amendments.
- Future Entitlements. Once the City and Coastal Commission have approved the policy framework for new development on the Mill Site, development can proceed in accordance with the procedures and regulations set forth in the Specific Plan and the City's Land Use & Development Code. Most projects will require tentative maps, coastal development permits, and design review and some projects may also require use permits.

FISCAL POLICIES

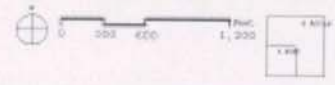
10. The City Council has a policy of full cost-recovery for all City staff and consultant services and related costs associated with the processing of development applications. The Council will require the Mill Site purchaser(s)/developer(s) to deposit funds to cover all costs associated with the preparation and processing of the necessary environmental documentation, Specific Plan, General Plan, Local Coastal Plan, and Zoning amendments, and all necessary land use entitlements.
11. The City Council also has a policy that requires new development to "pay its share" of capital improvements and the cost of on-going public services (such as public safety, park and street maintenance, and street-lighting) to ensure adequate levels of service. Mill Site development will be expected to offset its impacts on the City through the establishment of Mello-Roos districts and special assessment districts or other financial mechanisms and through the payment of development impact fees.

INFRASTRUCTURE, PUBLIC FACILITIES & SERVICES

12. The City Council has adopted policies to ensure that adequate public services and infrastructure can be provided to new development without substantially reducing the services provided to existing residents and businesses.
13. New development will be required to pay for any improvements or extensions of infrastructure necessary to serve the development. New development will also be required to pay for any improvements to public service capacity, including public safety services, that are necessary to provide adequate levels of service.
14. The Mill Site is located entirely within the Fort Bragg Redevelopment Project Area. The Redevelopment Agency's current tax increment revenue stream does not provide any surplus bonding capacity. Once the Mill Site is sold, the Redevelopment Agency will receive additional tax increment based on the reassessed value of the property. As development occurs, additional tax increment will be generated. The City Council/Redevelopment Agency will evaluate the capacity of the Agency to participate in the financing of public facilities and infrastructure to support redevelopment of the Mill Site.
15. The City Council believes that Georgia-Pacific's water rights on the Noyo River and Pudding Creek will be necessary to ensure adequate water availability for future development on the Mill Site. The City expects that Georgia-Pacific or any purchaser of these water rights will file a Petition to Change the designated type and place of use with the State Water Resources Control Board to allow municipal use of the water. In conjunction with Georgia-Pacific, the City is evaluating the optimal timing and sequencing of the actions needed to preserve and transfer these water rights.



- | | | | |
|--|------------------------------|---|--|
|  | Coastal Bluff Trail Corridor |  | Residential |
|  | Mill Pond |  | Resort |
|  | Open Space |  | CBD: Mixed-Use (Residential/Retail) |
|  | Land Bank |  | Mixed-Use (Residential/Retail) |
|  | Native American Housing |  | Mixed-Use (Residential/Retail/Resort/Light Industrial) |



Land Use Concepts Diagram