



HUMBOLDT COUNTY

Headwaters Fund

Competitive Grant Application

Applicants are strongly encouraged to submit a letter of interest prior to submitting a full application. Please refer to the letter of interest guidelines for information.

Applications are subject to public records acts and disclosure requirements.

Thank you for your interest in the Headwaters Grant Fund. As specified in our Charter, our purpose is to:

- a) Support the growth of industry clusters and increase the number of sustainable jobs that pay near or above the median income;
- b) Enhance the quality of life through social and environmental projects that promote healthy communities and protect and enhance the natural environment.

Please contact Kenny Spain, Executive Director, to discuss any questions about your application. Applications must be submitted electronically to headwaters@co.humboldt.ca.us. If some attachments are easier to submit as a paper version, you may bring or send those to our office at 520 E Street, Eureka, CA 95501.

Applications are due August 20th, 2021. Given the fund's current commitments, the annual allocation this year will be \$150,000. Applicants may apply for up to \$75,000. The application form, instructions, and information on the Grant Fund may be found on our website at www.humboldt.gov/headwaters.

APPLICATION PACKET CHECKLIST

Please email the following documents, in pdf format and labeled appropriately, to headwaters@co.humboldt.ca.us. Application limit is 35 pages:

- Coversheet (Page 1-2 of the Application, attached)
- Narrative (maximum of 5 pages, 12 point font, 1" margins)
- Project Budget with description of matching funds
- List of members of the Board of Directors
- Up to five letters of support
- Most recent IRS tax status certification (for non-profits only)
- Organization's current annual operating budget
- Project Timeline with milestones and expected completion dates

**The Headwaters Fund
Grant Fund Application Coversheet**

Date of application:

Organization Name:

Director/CEO:

Contact Person Name and Title:

Contact Phone: Contact Email:

Contact Address:

Total current year organizational budget: # of FTE employees:

Summarize the organization's mission (in the space provided):

Project title:

Please provide a less than 250 word summary of your project which answers the following questions: How will your project lead to improving the local economy and increasing the quality of life for local residents? What exactly are you going to do and for whom? Why is it necessary? What will be accomplished? How will you accomplish this?

Amount requested: Total project cost:

Grant timeline: Period covered: to

Total match amount: \$

Match amount as % of total project budget %

(Required 50% total project match for implementation, 25% of total project for planning)

Cash match: \$

Cash match as % of total project budget %

(Required: 25% of total project for implementation, 12% of total project for planning)

In-kind match: \$

In-kind match as % of total project budget %

Number of new FTE jobs created, if funded:

Number of FTE jobs retained, if funded (jobs that would otherwise be eliminated):

Number of permanent, long term, private sector jobs to be created:

Please provide a brief explanation of how job creation/retention numbers were calculated:

Type of project: Planning Implementation

Geographic focus of project:

Which Industry is your project working with (check off all that apply):

- Diversified Health Care
- Specialty Food, Flowers and Beverages
- Building and Systems Construction
- Investment Support Services
- Management and Innovation Services
- Niche Manufacturing
- Tourism
- Forest Products
- Arts and Culture
- Alternative Agriculture

Strategy being employed to promote economic development (check off all that apply):

- Supporting development of pre-permitted commercial space
- Reducing regulatory bottlenecks for business retention or creation
- Supporting economic development infrastructure
- Developing new strategies for economic development
- Providing access to external markets or plugs the economic leaks
- Retaining and growing existing businesses
- Providing workforce training
- Increasing the number of new businesses
- Leveraging future funding or projects
- Reducing poverty by helping people to develop business skills
- Other (describe):

Are any of the following components required, and if so are they in place already? (check off in left column if required, then check of "yes" or "no" for if they are in place already)

- | | | |
|--|------------------------------|-----------------------------|
| <input type="checkbox"/> Building permits | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Market research | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Legal review | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Regulatory approval | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Consultants hired | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Staff hired | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

EXPLANATION OF NARRATIVE QUESTIONS

Please answer the questions below. The entire narrative is limited to 5 pages. Answers should be written in 12 point font with 1" margins. For further explanation of the questions, please see the Grant Application Instructions.

- 1) Describe the need for your project and how it will improve the economy. What is the problem you are solving? What is the current situation, and future vision? Which businesses are you working with that have helped you identify the need? What are the risks and challenges for project success and how will you mitigate those?
- 2) What are the measurable objectives of your project? Quantify the expected outcomes.
 - **Improves Market Competitiveness:** Examples include: return on investment, increase in number of clients served, units sold.
 - **Benefits Clusters/major Industries as Identified in CEDS:** How many industries will receive benefits and what will those individual industry benefits be?
 - **Job Creation/Retention:** Number of FTEs created or retained by the project. Please separate direct employment and ancillary employment. Please provide multiplier is used for ancillary positions.
 - **Drives Capital Investment:** Anticipated levels of Capital Investment? (Purchase of property, plant, and equipment? Property investment? etc.)
 - **Business Creation/Growth/Retention:** Number of businesses started? Number of businesses retained that would have otherwise shuttered? Percent change in size of businesses? (Sales Revenue, Net Profit Margin, Gross Margin, Lead to Client Conversion Rate, Customer Acquisition Cost, Property/Sales Tax Paid, etc.)

For other strategies you plan to use, quantify measureable outcomes in terms of numbers of businesses supported and additional dollars coming into the local economy.
- 3) Describe what you will do to achieve your objectives. Describe how you will measure progress towards your objectives.
- 4) Describe the work which has already been done to ensure that this project will be a success (i.e. prior research, planning or permitting). You may attach backup documentation.
- 5) List the jobs directly created as an outcome of the successful implementation of this project, titles, roles/general responsibilities, expected employers and expected wages. (Note: Please do not include jobs which will be actually paid for by grant funding or are short-term, temporary project related jobs.) If the project is expected to create indirect jobs in the long term please quantify those as well.
- 6) If appropriate, explain how the project will protect and or improve the natural environment in one or more of the categories listed below.
 - Supports the sustainable use of environmental resources
 - Preserves open spaces and working landscapes
 - Utilizes environmental knowledge in the creation of jobs
- 7) Explain how the project contributes to the quality of life for Humboldt County residents in any of the categories listed below.
 - Benefits Underserved Population
 - Preserves Cultural Heritage and Strengthens Community Identity
 - Improves Existing Infrastructure

- Strengthens Community Leadership and Civic Participation

8) Explain the capacity of your organization, staff and project partners to implement this project.

9) If you will be using grant funds to hire expertise please list the consultants or firms you are considering. If you are not considering using a local business please explain why.

10) Describe how you will acknowledge the Headwaters Fund in your work.

REQUIRED ATTACHMENTS

Please attach the following after the project narrative:

- **Project budget** – use the budget format outlined below and include a description of match sources.
- **Governance** - List of your board of directors or council members.
- **Support Letters** – attach documentation of collaboration and/or project need in the form of up to 5 Letters of Support, Letters of Partner Commitment, and/or Memoranda of Understanding.
- **IRS tax status certification** – most recent (for non-profits only)
- **Annual operating budget**
- **Timeline with expected project milestones and completion dates (sample below)**

Date	Milestone

OPTIONAL ATTACHMENTS

- **Resumes** – brief resumes of key personnel
- **Market Analysis**
- **Business Plan**
- **Associated Research**

SAMPLE PROJECT BUDGET FORMAT

Use the following format for your project budget submittal. For major expenses, please be specific.

Project Expense Item	Total Cost (\$)	Requested Amount from Headwaters Grant Fund	Amount from Matching Funds	Source of Matching Funds
<i>Example: Travel</i>	<i>5,000</i>	<i>2,000</i>	<i>3,000</i>	<i>United Way grant</i>
Direct Salaries & Wages (breakdown by individual position & indicate full or part-time; list indirect staff costs in "Overhead- staff related" section below)				
Staff 1:				
Staff 2:... etc.				
Sub-total: all Direct Salaries & Wages				
Benefits & Payroll Taxes				
Consultant & professional fees (specify)				
Travel (describe)				
Equipment (specify)				
Overhead- non-staff related				
Overhead- staff related (breakdown by individual position; include payroll taxes and fringe benefits)				
All Overhead Costs as % of Total Project Cost				
Total Project Cost				

Note 1: "Overhead- non-staff related" includes office supplies, printing, telephone/fax, postage, rent, and utilities.

Note 2: "Overhead- staff related" is comprised of indirect staff costs (e.g. bookkeeper).

Match Sources - list all other funding sources for this project. For each source, list whether the amount is received, committed, application pending, or not yet solicited.

Project Summary for Cover Sheet

Please provide a less than 250 word summary of your project which answers the following questions: How will your project lead to improving the local economy and increasing the quality of life for local residents? What exactly are you going to do and for whom? Why is it necessary? What will be accomplished? How will you accomplish this?

Following the bankruptcy of the Pacific Lumber Company and the creation of the Headwater Forest, the Fortuna Palco Mill site closed and went from one of the largest employers in the region to a blighted vacant site. This project will stimulate the revitalization of these 75 acres of highly developable land and create new businesses, new jobs, and a new regional destination. This project will include: detailed scenario plans that will make the site more marketable by demonstrating a range of pre-approved development options; dynamic public engagement to ensure the scenarios match the community's needs and interests; in-depth stakeholder engagement to ensure obstacles to development are eliminated; conceptual utility and infrastructure master planning that will make development of the site easier; and a baseline traffic study and CEQA analysis to streamline permitting of private development. Over the past ten years, over a dozen prospective developers have requested meetings with City staff to explore options for developing the site. Yet, the site currently sits idle, largely because of the lack of a comprehensive strategy for public infrastructure. The site also has zoning and General Plan inconsistencies that significantly limit potential uses. The City acquired a LEAP grant from the State to solve the General Plan and zoning challenges, but that grant was insufficient to solve the sites other challenges. The Headwaters Grant will provide the final missing pieces needed to stimulate development of the site, attract a range of new businesses, and replace the jobs lost when the mill closed.

Narrative Questions

- 1) Describe the need for your project and how it will improve the economy. What is the problem you are solving? What is the current situation, and future vision? Which businesses are you working with that have helped you identify the need? What are the risks and challenges for project success and how will you mitigate those?

The project will improve the economy by attracting commercial/industrial development, creating jobs, adding local spending, and increasing the City's sales tax and property tax revenue. The project will do this by removing development impediments and by creating studies/plans for road and infrastructure connectivity of 25 parcels, some of them landlocked and most of them not currently served by utilities. The project will also streamline development approval processes by reducing permitting steps by having studies and plans completed by the City and by creating compatible zoning and design standards.

The current situation that has created the need for the project is that the site was previously used entirely as a lumber mill site. Several years after the creation of the Headwaters Forest Reserve, the mill closed permanently, and hundreds of jobs were lost. Residential and other infrastructure developed around the periphery, but the mill site essentially became a physical barrier in the geographic center of town, impeding connectivity for infrastructure, roadways, and stormwater.

The future vision is a vibrant mix of light industrial and commercial activities with adequate infrastructure, roadways, and stormwater services, connections with the adjoining residential and commercial services along Fortuna Boulevard to the east. The City envisions a district similar to the Barlow in Sebastopol, the River Mill District and Water Street in Petaluma, and the Arcata West End Industrial Park. Each of these model developments are major employment centers and host dozens of locally-owned home-grown businesses. The site will be home mostly to manufacturing businesses, professional crafts and trades people, and light industrial spaces with some supplemental retail storefronts.

The need for the City's envisioned development has been identified and confirmed by numerous potential businesses who have been eager to purchase and develop lots within the Mill site inquiring with the City and discovering that costly infrastructure studies and extension of utilities would be needed to develop within the site, and that these requirements have been obstacles.

2) What are the measurable objectives of your project? Quantify the expected outcomes.

- **Improves Market Competitiveness:** Examples include: return on investment, increase in number of clients served, units sold.

As envisioned, the site will host dozens of businesses and between 200,000 and 460,000 square feet of new construction, mostly in the manufacturing, warehousing/distribution, and retail sectors. Using standard methodologies developed by the Institute of Traffic Engineers, the US Department of Energy, and the American Planning Association, the City estimates that the site would generate the creation of between 200 and 1,400 new full-time jobs. A conservative estimate of average wages between \$15 and \$22/hr is the equivalent of \$5,000,000 to \$60,000,000 in collective annual payroll generated.

- **Benefits Clusters/major Industries as Identified in CEDS:** How many industries will receive benefits and what will those individual industry benefits be?

The project will attract a range of light industrial and commercial businesses. In the past, the City has had inquiries from numerous businesses who wanted to locate at the Mill site including a brewery, a plywood mill and flooring plant, cannabis manufacturing facilities, food manufacturing businesses, a contractor's supply and repair yard, a truck repair shop, a large national distribution company, and numerous trades-people. The City also received numerous inquiries for sites that could be developed for start-up

manufacturing businesses. The City (and most of Humboldt County) has a shortage of land that is suitable for these types of land uses. The Mill site will fill that need.

- **Job Creation:** Number of FTEs created or retained by the project. Please separate direct employment and ancillary employment. Please provide multiplier is used for ancillary positions.

As envisioned, the site will host dozens of businesses and between 200,000 and 460,000 square feet of new construction, mostly in the manufacturing, warehousing/distribution, and retail sectors. Using standard methodologies developed by the Institute of Traffic Engineers, the US Department of Energy, and the American Planning Association, this amount of new construction will generate the direct creation of between 200 and 1,400 new full-time jobs (FTE) at the mill site. A conservative estimate of average wages between \$15 and \$22/hr is the equivalent of \$5,000,000 to \$60,000,000 in collective annual payroll generated. The indirect/ancillary employment created would be substantial and has not yet been calculated.

- **Drives Capital Investment:** Anticipated levels of Capital Investment? (Purchase of property, plant, and equipment? Property investment? etc.)

This needs to be determined, and is among the reasons that the City is seeking this grant. It is likely that the City will need to construction over 9,000 linear feet of new roadways, an equivalent length of water and wastewater utilities, and new stormwater systems. The City also envisions a small City park and a network of pedestrian/bike trails adjacent to Strongs Creek and Mill Creek (on the project site). The City will need to work closely with developers of the site to fund all of this public infrastructure. This will require detailed scenario planning and a conceptual utility/infrastructure master plan to determine strategies and formulas for proportional share agreements and infrastructure funding mechanism.

- **Business Creation/Growth:** Number of businesses started? Number of businesses retained that would have otherwise shuttered? Percent change in size of businesses? (Sales Revenue, Net Profit Margin, Gross Margin, Lead to Client Conversion Rate, Customer Acquisition Cost, Property/Sales Tax Paid, etc.)

See above regarding Job Creation. Dozens of businesses will be created/expanded.

- 3) Describe what you will do to achieve your objectives. Describe how you will measure progress towards your objectives.

With the Headwaters Grant funding and the City match, this project will include: detailed scenario plans that will make the site more marketable by demonstrating a range of pre-approved development options; dynamic public engagement to

ensure the scenarios match the community's needs and interests; in-depth stakeholder engagement to ensure obstacles to development are eliminated; conceptual utility and infrastructure master planning that will make development of the site easier; and a baseline traffic study and CEQA analysis to streamline permitting of private development.

- 4) Describe the work which has already been done to ensure that this project will be a success (i.e. prior research, planning or permitting). You may attach backup documentation.

The City is undertaking a Mill District Specific Plan for the site with an HCD LEAP grant for \$65,000. Activities include reviewing existing conditions and constraints, a needs assessment, an amenities assessment, a summary report, with a resulting product of a modification of the City's General Plan and Zoning Code. The specific plan was recently initiated, and currently the City is in the conditions and constraints analysis phase. Unfortunately, that State grant was insufficient to solve the site's other challenges. The Headwaters Grant will provide the final missing pieces needed to stimulate development of the site, attract a range of new businesses, and replace the jobs lost when the mill closed.

- 5) List the jobs directly created as an outcome of the successful implementation of this project, titles, roles/general responsibilities, expected employers and expected wages. (Note: Please do not include jobs which will be actually paid for by grant funding or are short-term, temporary project related jobs.) If the project is expected to create indirect jobs in the long term please quantify those as well.

As outlined above, the City used standard methodologies to estimate the total amount of new construction by industry sector and the subsequent jobs created. The table below show the estimated number of direct jobs created. The jobs will range from owners and management to line-level employees. The estimated number of long-term indirect jobs created has not yet been calculated, but would likely be in the hundreds.

Employment Sector	A. Estimate of Employees/SF		B. Estimate of new construction (sf)		C. Estimate of new jobs (A x B)		D. Estimate of wages/hr		Estimate of total annual payroll (C x D)	
	Low	High	Low	High	Low	High	Low	High	Low	High
Manufacturing	1,400	250	100,000	200,000	71	800	15	22	\$2,228,571	\$36,608,000
Office	250	60	2,000	10,000	8	167	15	22	\$249,600	\$7,626,667
Food Service	537	134	2,000	25,000	4	187	15	22	\$116,201	\$8,537,313
Warehousing	1,500	781	100,000	200,000	67	256	15	22	\$2,080,000	\$11,718,310
Retail	588	383	2,000	25,000	3	65	15	22	\$106,122	\$2,986,945
TOTAL	NA	NA	206,000	460,000	153	1,475	NA	NA	\$4,780,495	\$67,477,235

- 6) If appropriate, explain how the project will protect and or improve the natural environment in one or more of the categories listed below.
- Supports the sustainable use of environmental resources
 - Preserves open spaces and working landscapes
 - Utilizes environmental knowledge in the creation of jobs

The project will result in a pedestrian trail network. The result will consist of identification of trails along Strongs Creek which bisects the lower (southern) portion, and along the existing North Pacific Railroad where the State has future plans for the Great Redwood Trail.

- 7) Explain how the project contributes to the quality of life for Humboldt County residents in any of the categories listed below.
- Benefits Underserved Population
 - Preserves Cultural Heritage and Strengthens Community Identity
 - Improves Existing Infrastructure
 - Strengthens Community Leadership and Civic Participation

Improves existing infrastructure through infrastructure planning, including needed improvements to the City's existing roadway/circulation system needed to serve the future development of the Mill site. Adjoining and nearby affected roadways will be improved to serve the build-out of the site.

- 8) Explain the capacity of your organization, staff and project partners to implement this project.

The Mill District Specific Plan is being managed by the Fortuna Community Development Department staff, with planning and engineering support from local consultants.

- 9) If you will be using grant funds to hire expertise please list the consultants or firms you are considering. If you are not considering using a local business please explain why.

Planwest Partners (based in Arcata) and GHD (Eureka office) are currently under contract with the City under a \$65,000 LEAP grant. The City envisions supplementing the contract of Planwest/GHD to provide the additional needed services outlined above. These additional efforts are needed to complete the project and to make the site developable and to attract businesses/builders.

- 10) Describe how you will acknowledge the Headwaters Fund in your work.

Name will be placed on reports and studies. Project information will be posted on the City's website to identify Headwaters Fund as supporters of the project.

ATTACHMENTS

PROJECT TIMELINE

	TASK	Projected Completion Date	Milestone
1	Scenario planning	October 2021	Completion of up to three detailed development scenarios
2	Photo simulations of scenario plans and visual preference survey (used for marketing/recruitment of site and for public engagement)	October 2021	Completion of up to four detailed photo simulations and a full visual preference survey
3	Stakeholder engagement	November 2021	Minimum of four stakeholder group meetings
4	Public engagement	November 2021	Minimum of three public meetings
5	Conceptual utility and infrastructure master plan (including stormwater and circulation)	February 2022	Completion of study
6	Traffic Study	April 2022	Completion of study
7	CEQA documentation	June 2022	Certification by City Council

PROJECT BUDGET

	TASK	TOTAL COST ¹	Requested Amount from Headwaters Grant Fund	Amount from Matching Funds	Source of Matching Funds
1	Scenario planning	\$12,500	\$9,375	\$3,125	City General Fund
2	Photo simulations of scenario plans and visual preference survey (used for marketing/recruitment of site and for public engagement)	\$5,000	\$3,750	\$1,250	City General Fund
3	Stakeholder engagement	\$5,000	\$3,750	\$1,250	City General Fund
4	Public engagement	\$7,500	\$5,625	\$1,875	City General Fund
5	Conceptual utility and infrastructure master plan (including stormwater and circulation)	\$30,000	\$22,500	\$7,500	City General Fund
6	Traffic Study	\$30,000	\$22,500	\$7,500	City General Fund
7	CEQA documentation	\$10,000	\$7,500	\$2,500	City General Fund
	Travel, equipment, overhead, and administration.	\$0	\$0	\$0	NA
TOTAL PROJECT COSTS		\$100,000	\$75,000	\$25,000	NA

1. All costs are consultant & professional fees

GOVERNANCE

Fortuna City Council

Sue Long- Mayor

Tami Trent- Mayor Pro Tem

Jeremy Stanfield – Council Member

Mike Johnson – Council Member

Mike Losey – Council Member

CITY OF FORTUNA ANNUAL OPERATING BUDGET

The City of Fortuna Annual Operating Budget can be found at the following web address:

https://www.friendlyfortuna.com/Document%20center/Department/Finance/Annual%20City%20Budget/FY%202021-22%20Adopted%20Budget%206-7-21_FINAL%20w-Fee%20Schedule.pdf

SUPPORT LETTERS

Fortuna Chamber of Commerce
Fortuna Business Improvement District

SUPPLEMENTAL ATTACHMENT

Visual Guide of Example Developments from Other Communities



August 20, 2021

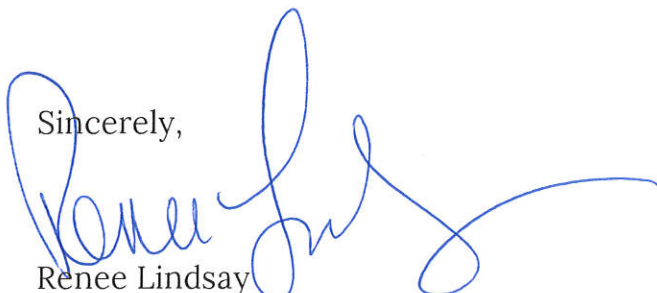
Ryan Heitz
Headwaters Fund
825 5th Street Suite 112
Eureka, CA 95501

Dear Ryan,

I am pleased to provide support for the City of Fortuna's Mill District Specific Plan project.

The Fortuna Chamber of Commerce places a high priority on commerce and business development within the city as a means of creating a strong and vibrant community, and to redevelop vacant and underutilized land within the city to attract new businesses. The former Palco Mill site is centrally located, and its commercial development has the opportunity to transform the city and will augment other significant developments such as the Open Door Community Health Center and the Gene Lucas Community Center. In addition, the job creation that would result from development of the former mill site will help to create jobs that were lost when the Palco Mill closed nearly 15 years ago. As we recover from the pandemic, it is vitally important to identify ways to continue to encourage people to work, live in, and visit our great community. The Chamber lends our enthusiastic and full support to the Mill District Specific Plan, and we encourage the Headwaters Fund Board to provide a portion of the needed funding through award of this competitive grant funding.

Sincerely,



Renee Lindsay
President & CEO



FORTUNA BUSINESS IMPROVEMENT DISTRICT

August 17, 2021

Ryan Heitz
Economic Development Specialist
Headwaters Fund
headwaters@co.humboldt.ca.us

Dear Mr. Heitz,

I am writing to express support of the City of Fortuna's application to the Headwaters Fund Competitive Grant for the Palco Mill Site Specific Plan Assistance project. The Fortuna Business Improvement District (FBID) has a 30+ year history of working in coordination with the city and its businesses to provide business recruitment, retention, and city wide beautification services on behalf of our community.

FBID highest priority is business development within Fortuna as a means of creating a strong, resilient, and vibrant City. We are committed to the redevelopment of vacant and underutilized land within the City as a primary strategy for the attraction and retention of new businesses. New businesses are vital to our community for the provision of jobs, tax revenue, and goods & services necessary for the long term health and well being of our citizens.

The former Palco Mill site is centrally located and its commercial development along the Highway 101 corridor has the opportunity to transform the City in a fundamental way. Development of this site will further augment other significant developments such as the Open Door Community Health Center and the McLean Community Center at Newburg Park.

In addition, the job creation that would result from development of the former mill site will help to create jobs that were lost when the Palco Mill closed. As we recover from this global pandemic, it is imperative to identify ways to continue to encourage people to work, reside and visit our amazing little town. We lend our enthusiastic and complete support to the Mill District Specific Plan, and we would strongly encourage the Headwaters Fund Board to provide a portion of the necessary funding through an award of this competitive grant.

Please don't hesitate to reach out to me for any questions or additional information I can help provide as you consider this important request.

Sincerely,

A handwritten signature in blue ink that reads "Danny Kelley". The signature is written in a cursive, flowing style.

Danny Kelley
Interim Executive Director
Fortuna Business Improvement District

MEMORANDUM

Date:	8/20/21
To:	Liz Shorey Merritt Perry
From:	Rob Holmlund, AICP
Topic:	Visual Guide of Example Developments from Other Communities

Overview of this Memo

The purpose of this document is to provide visual examples from other communities of the types of development that Fortuna envisions for the Mill District (formerly the Palco Mill). This memo analyzes the following sample locations that can serve as inspiration for what Fortuna can create:

1. Arcata West End Industrial Park
2. The Barlow, Sebastopol, CA
3. River Mill District and Water Street, Petaluma
4. Other various examples

1. Arcata West End Industrial Park

Overview: The Arcata West End Industrial Park is a typical light industrial zoning district with many characteristics that are similar to the future buildout of the Fortuna Mill District.

As the images on this page and the next page demonstrate, the district largely consists of the following features, many of which serve as inspiration for the Fortuna Mill District:

- High-ceiling single-story metal buildings with office-lofts.
- All buildings have prominent rollup doors for warehousing and manufacturing uses.
- Uses throughout the district are pre-dominantly light-industrial.



The following are sample businesses from the Arcata West End Industrial Park that represent the types of businesses that will likely be found in the Fortuna Mill District: The Mill Yard, North Coast Fabricators, Williams Bakery, Lost Coast Motor Sports, Arcata X (cannabis manufacturer), Cross Fit Gym, Bettendorf Trucking, McCollough Construction, House and Garden Supply, Danco Builders, the Tofu Shop, JessiCurl (shampoo manufacturer), Kokatat, Sacred Grounds Coffee, etc.



The following outlines how the Fortuna Mill District will be similar to and different from the Arcata West End Industrial Park:

	Similar to Arcata West End Industrial Park	Different from Arcata West End Industrial Park
Street Cross Section	Roadways will be designed to accommodate the truck traffic typical of industrial parks.	The roadway cross section will be better defined, with sidewalks on both sides.
Parking	Each building may have its own off-street parking, similar to Arcata.	All new roadways will have on-street parking. Off-street parking will be a less dominant feature along the public right-of-way.
Uses	A very similar mix of industrial and commercial, with a similar volume of uses associated with tradespeople, such as contractors and cabinet-makers.	Commercial uses may be more prevalent.
Building Form	Very similar.	NA
Building Placement	Setbacks from street ROW will be similar to many examples, such as the DANCO building (see below).	Buildings will be more densely placed and will likely be closer to the back of the sidewalk than the average building in Arcata.



2. The Barlow, Sebastopol, CA

Overview: The Barlow is an approximately 20-acre zone district in Sebastopol. According to the City's Municipal Code, the site's zoning (Industrial Commercial) "is intended to encourage local production, innovation, and sales of local art, textile, food, beverage, and other tangible goods by allowing



a range of complementary, community-oriented building types and spaces that accommodate small- and mid-size makers, fabricators, producers, and manufacturers, as well as specified commercial, residential, and other uses" (Ord. 1111, 2018). The code goes on to emphasize the following requirements:

- Site plans focused on pedestrian access and human-scale architecture
- Developments oriented toward street frontages rather than towards parking lots.
- Development shall not resemble a typical strip commercial development.
- Off-street parking shall be distributed to the rear of buildings.
- Uses consist of a mix of commercial, food/restaurant, retail, light industrial, and craft manufacturing.
- Development standards: 35' max height, 2 story maximum, 0 ft setbacks (except abutting residential zones)

As the images on this page and the next page demonstrate, the district largely consists of the following features, many of which serve as inspiration for the Fortuna Mill District:

- High-ceiling single-story metal buildings with office-lofts.
- All buildings have prominent rollup doors for warehousing and manufacturing uses. Many roll up doors are facing the street.
- Buildings are at the back of the sidewalk or setback from the sidewalk to allow for outdoor seating.
- Ample on-street parking is provided. Off-street parking lots are limited and not prominently visible from the public ROW.
- Relatively narrow street cross sections.
- Wide sidewalks with street trees.
- Uses throughout the district consist of a compatible blend of light industrial and customer-serving commercial.

The following are sample businesses from the Barlow that represent the types of businesses that likely be found in the Fortuna Mill District: Spirit Works Distillery and Tasting Room, Two Dog Night Creamery, Crooked Goat Brewing, Victorian Farmstead Meat Company, Guayaki Yerba Mate, California Sister Plant & Flower, etc. Each of these include on-site manufacturing and some degree of retail sales. The Fortuna Mill District will more industrial by design, but very similar overall.



The following outlines how the Fortuna Mill District will be similar to and different from the Barlow across various factors:

	Similar to Barlow	Different from Barlow
Street Cross Section	Similar to image below, street cross section will consist of: sidewalks with street trees and pedestrian-scale lighting, on-street parking, and two travel lanes.	Travel lanes may be wider and may include center striping. Sidewalks may not be as wide.
Parking	Like the Barlow, all new roadways will have on-street parking. Off-street parking will not be a dominant feature along the public right-of-way.	On-street parking will consist mostly of parallel parking, with some angle-in parking. Perpendicular parking will only potentially occur on secondary streets. Parking lots may be more abundant.
Uses	A mix of industrial and commercial.	Commercial uses may be less dominant and light industrial uses may be more prevalent. Uses will also support tradespeople, such as contractors.
Building Form	High-ceiling single-story metal buildings similar to image below.	Some buildings may not be as tall as the average building in the Barlow.
Building Placement	In some cases, buildings will be at or near the back of the sidewalk.	Buildings may be less densely placed and may not consistently be at the back of the sidewalk. Buildings will likely consume a smaller percentage of lots, with more outdoor storage and assembly.

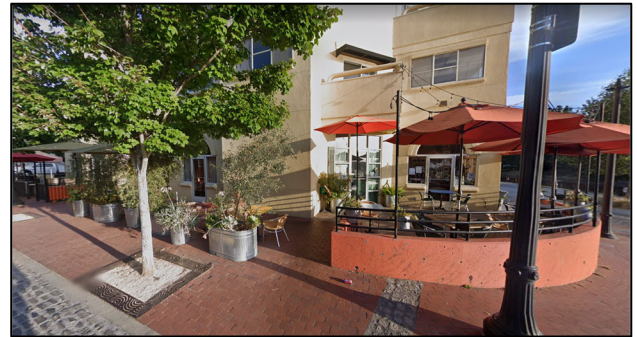


3. River Mill District and Water Street, Petaluma



Overview: The Petaluma River Mill District and Water Street is a historic part of town that is being revitalized. It has many legacy metal buildings and industrial uses, which are now being supplemented with new modern commercial uses.

The following are sample businesses from the Petaluma River Mill District that represent the types of businesses that likely be found in the Fortuna Mill District: 24-hour fitness, salon & spa, iPhone repair, Wild Goat Bistro, Winery and Tasting Room, etc.



The following outlines how the Fortuna Mill District will be similar to and different from the Petaluma River Mill:

	Similar to Petaluma River Mill	Different from Petaluma River Mill
Street Cross Section	Street cross section will consist of: sidewalks with street trees and pedestrian-scale lighting, on-street parking, and two travel lanes.	Less of a historic feel.
Parking	Very similar, with on-street parking and some off-street parking.	Possibly less angle-in parking.
Uses	Commercial uses in a rugged industrial setting.	Less commercial and more light industrial.
Building Form	Industrial building forms, metal buildings. Outdoor seating with views of industrial buildings.	Less historic. Shorter buildings.
Building Placement	Very similar.	Will be less dense and more spread out.



4. Other Various Examples

Overview: The following are spot examples from other communities.

900 S Fortuna Blvd, Fortuna:



This building is within the Fortuna Mill District study area. Parking is on the side of the building, with the building at the back of the sidewalk. The site has outdoor seating facing the street and various tenants in the building, including a contractor. This is a very compatible example of what will be found in the Fortuna Mill District.

Doyle Street, Emeryville:



This strip of industrial and commercial buildings is similar to the envisioned Fortuna Mill District. Roll up doors face the street of buildings that are at the back of the sidewalk. Outdoor seating occurs periodically, but is not dominant. On-street parking spaces are abundant, including both parallel and angle-in spaces. No parking lots dominate the street.

357 Main Street, Fortuna:



This building is on the far western end of Main Street and consists of an industrial/commercial building at the back of the sidewalk, with parking in the back and along the side of the building. This is a very compatible example of what will be found in the Fortuna Mill District.

R Street, Sacramento:



This strip of industrial and commercial buildings is similar to the envisioned Fortuna Mill District. Roll up doors face the street of buildings that are at the back of the sidewalk. Outdoor seating occurs periodically, but is not dominant. On-street parking spaces are abundant, including both parallel and angle-in spaces. No parking lots dominate the street.

112 W 3rd Street, Eureka:



This building is in the Light Industrial zone of Eureka, just west of Old Town. It consists of a series of 2,000sf to 5,000 sf leasable spaces, each with a roll-up door. The spaces are in high demand. This is a very compatible example of what will be found in the Fortuna Mill District.

Bayview Industrial Center, 550 South G Street, Arcata:

This building is in the Industrial Commercial zone of south Arcata. It consists of a series of 2,000sf to 5,000 sf leasable spaces, each with a roll-up door. Parking is in the center of the lot. The spaces are in high demand. This is a very compatible example of what will be found in the Fortuna Mill District.

