

MEMORANDUM

DATE: July 19, 2012

TO: Business Advisory Committee

FROM: Heidi Burns, Associate Planner 

SUBJECT: Marinship Opportunities

At the June 21, 2012 Business Advisory Committee (BAC) meeting, the BAC asked staff to identify projects within the Waterfront and Marinship area which the BAC could pursue. Upon review of the Sausalito Waterfront and Marinship (WAM) Vision dated May 18, 2010 and the Sausalito Community and Economic Development Study prepared by Robert Eyler, dated January 2012, staff suggests the following three projects/undertakings be considered:

1. **Facilitate a Maritime Business Association or a Marinship Business Association.** As suggested in the WAM Vision (See **Attachment 1** for recommendation number 10 on page 52), the BAC could help facilitate the creation of a business association within the Marinship. The benefits of an association include:
 - a. Bringing business owners together to network and share information/resources, raise their visibility, and provide administrative assistance.
 - b. Participation and continuity by uniting on important issues.
2. **Community Outreach.** The BAC could work on identifying and establishing marketing tools (e.g., informational handouts/brochures for property managers and property owners and/or utilizing web-based networking) to inform property owners and/or property managers how to target permitted businesses which are allowed by the Marinship Specific Plan. As described in the Eyler Report, scientific and technical service uses are the highest economic revenue generator for the City (See **Attachment 2** for Figure 5, page 16). For example, light manufacturing and industrial research and development uses, which are uses classified under the technical services category of the Eyler Report, are permitted in 37 of the 54 parcels identified in the Marinship Specific Plan. Permitted land use uses only require issuance of an Occupational Use Permit (over-the-counter permit at the Community Development Department), a business license (application and fee), and possible a building permit to allow tenant improvements.

There may also be an opportunity for the BAC to host an informational workshop for property owners, property managers, real estate companies, and interested persons on the Specific Plan. The workshop(s) could help property owners understand the Specific Plan, its constraints, how to navigate through the Specific Plan, how to target permitted land uses, etc. The workshop may require minimal staff time regarding the noticing and set-up of the actual workshop.

ATTACHMENTS

1. WAM Vision Excerpt regarding Recommendation No. 10 on page 52
2. Eyler Report Excerpt regarding Figure 5 on page 16

*** Excerpt from the WAM Vision ***

environmental mitigation costs; 3) develop public amenities and set aside more open space; and 4) help preserve the maritime and art industries.

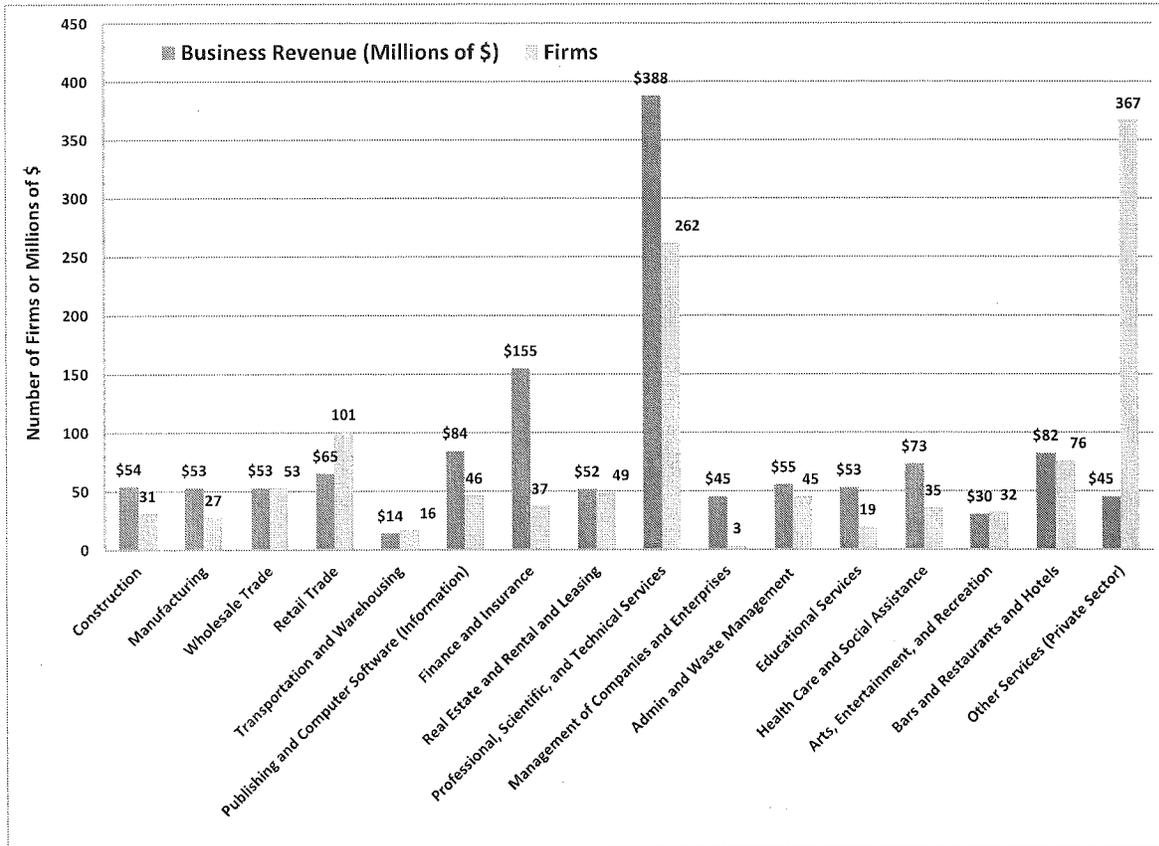
Although the recommendations below will help mitigate these costs, the zoning changes and development proposals are expected to take years to go into effect, if in fact they are ever approved. The WAM Committee acknowledges that it has not identified a solution to save these businesses during the interim, although some believe that longer leases would be helpful. Because Sausalito's maritime heritage is at stake, the Committee would like the community and the city to address this problem as quickly as possible by giving it the special attention it deserves. Organizations such as Richardson's Bay Maritime Association could be instrumental in providing some assistance in finding a more immediate solution to preserving these businesses.

Recommendations:

1. Encourage property owners of existing marine haul-out facilities and industrial shops to extend the length of leases to tenants interested in having more than month-to-month leases until long-term renovation and development plans are implemented
2. Better balance lower rent art and maritime uses with new uses that generate higher revenue
3. Provide development incentives to large waterfront property owners with existing marine service facilities and businesses in exchange for greater development flexibility and plan approval expedition for the renovation and growth of such businesses
4. Provide similar development incentives to waterfront property owners who preserve and expand public benefits
5. Encourage property owners along the working waterfront to provide basic facilities such as restrooms and ancillary office space to tenants willing to pay rent for such space
6. Promote maritime uses that provide focal points and activity nodes for public enjoyment, if compatible and appropriate
7. Support efforts to re-establish locally-based commercial fishing facilities, fish sales and habitat recovery
8. Continue to encourage artists to stay and to locate in the Marinship by actively promoting the arts
9. Explore grants and low-cost loans from such places as the Environmental Protection Agency, State Department of Boating and Waterways and local bank Community Reinvestment grant programs to comply with environmental standards and implement best practices, upgrade public servicing marine facilities and improve marine habitat
10. Establish a Maritime Business Association to initiate and coordinate a marketing strategy that promotes the industry, raises their visibility and provides administrative assistance
11. Financially support an independent market analysis and a cost/benefit analysis for new development that determines what land uses and rents are needed to offset the costs of construction, permitting, environmental clean-up and compliance, public benefits and public infrastructure improvements

*** Excerpt from the Eyler Study ***

Figure 5: Business Revenue and Firms in Sausalito, 2010 Estimates
Business Revenue in Millions of \$, Number of Firms by Industry



Source: City of Sausalito and Zip Code Business Patterns, Census Bureau

The demand for commercial real estate leads to a demand for other goods and services. An economic impact analysis becomes a demand-driven model by investigating what firms provide the largest “bang for buck” in utilizing currently available commercial property. If there is a demand to do business in Sausalito from a specific industry, and commercial space is available, the type of business that enters commercial space has multiplier (economic impact) effects on other businesses and can guide which companies will receive additional revenue from increased demand due to the new or expanding companies, including companies that already exist in Sausalito⁸.

⁸ See <http://www.ci.sausalito.ca.us/Index.aspx?page=695> for documents pertaining to the Imagine Sausalito process. See <http://www.seagroup.org/> for information on Sausalito Environmental Action (SEA).

Attachment 2
(1 page)