



December 13, 2010

Jeremy Graves, AICP
Community Development Director
City of Sausalito
420 Litho Street
Sausalito, CA 94965
jgraves@ci.sausalito.ca.us
t 415/289-4133
f 415/339-2256

Hi Jeremy:

Please see the below as the current progress report for the MEF project with Sausalito's public-private partnership to look at economic development. In short, we continue to collect data, discuss Sausalito's business and residential environment with locals, and look at other municipalities to frame how we will approach residents and business owners in Sausalito about their vision (or a vision) of the city. Our progress was slowed a bit by the holidays, so we are working on Topics 1 and 2 until January. If there are any questions or concerns from the BAC; I have heard that the commercial real estate consultant ended up not taking the assignment, so let me know when you can about that aspect of this study. I know we will also be discussing the possibility of adding the commercial piece (specifically Phase 1) to the scope of work. I look forward to that discussion.

Topic 1: Optimal and Targeted Business Mix

My intern, Ryan Gomes, and I are working through some of the suggestions received since the last update concerning alternative municipalities to use as case studies. Sausalito is a unique mix of maritime, politically-involved residents, and tight business mix where a perfect match is unlikely to be found. However, we may have been too narrow in our original search criteria and we are looking at other possibilities. We are also gathering data on the businesses in Sausalito to begin contacting, surveying and cataloging them to consider how a different mix may affect the economics of Sausalito. Ryan and I continue to work on a simple survey instrument and considering dates and venues for focus groups concerning the opinion of Sausalito as a place to do business for those currently here. How the residents of Sausalito are affected by change is a major focus.

Topic 2: Specific Economic Impacts in Sausalito

The data gathered in November is now the foundation of learning more about tourism and non-retail commercial businesses in Sausalito. This data will generate an economic impact analysis, and be compared to the importance of retail businesses to this city. Because tourism is tied to retail directly, we have been working on how to look at tourism and connect to retail, but not assume that retail is



connected to tourism (retail may be generated from non-tourism customers). This is difficult in a place like Sausalito because of the business geography and its evolution. The non-retail business is affected by decisions concerning the marine industry area, and those effects will also be compared to retail and tourism. Once again, a major concern of mine is if the commercial real estate and survey piece is not going to be done parallel to our work as planned. We are accounting on how the residents in Sausalito, and the policy makers, would like to see the evolution of the city's businesses, and how local businesses are affected by any decisions.

We have just begun to learn more about the marine industry area and will be pushing through the next two months to connect more with local residents, business owners and public officials to gather more information. Please let me know.

Thanks.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Eyler". The signature is fluid and cursive.

Robert Eyler, Ph.D.
Interim CEO
Marin Economic Forum
eyler@marineeconomicforum.org
707-318-0348