

MEMO

July 11, 2011

To: Jeremy Graves, Director
Community Development
From: Adam Krivatsy
Re: **Draft Report of June 24, 2011**

Thank you for this opportunity to review Dr. Eyler's Draft Report. The following questions, comments and suggestions are based on my understanding that Dr. Eyler was retained by the City at the BAC's and the Chamber's recommendation in order to:

Provide Sausalito's business community and decision-makers with

- *A regional perspective* of Sausalito's economic role and potential,
- *Data* that will enable BAC, the Chamber and the City Council to consider options for securing the City's financial stability in the foreseeable future,
- *Alternative scenarios* for revitalizing the City's economy,
- *Strategies* that will safeguard *long-term economic stability* of the community
- *Actions* that would bring *early results* and would represent the first steps toward implementing those strategies.

GENERAL*

Format

To facilitate annotations, the document is printed in double-spaced format. This is helpful. It is a pity, however, that publishers of the report have chosen such a small font size that slows down the review process and makes it more laborious to refer to the text for clarifications. At least one graph (Figure 6.) is not legible. It would be beneficial if the final report would be printed with a larger font size.

Organization

Saving for omissions, the Table of Contents suggests a logical sequence of information and discussion. Only the author's occasional recommendations for "who should do what" hinder the readers' ability to follow the analysis and to develop a clear perspective of facts, issues and their interrelationships.

The report would definitely benefit from more punctuation and strict adherence to subject matters defined by the titles and subtitles.

*Note: General comments are not listed in their order of importance.

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Content

Presented as an endeavor endorsed by the Marin Economic Forum, and considering the author's excellent overview of regional economics, it could be expected to read an introductory chapter that presents some facts about Sausalito's role within Marin County's regional economy and provide references to special opportunities brought to bear by Sausalito's advantageous position as the southernmost city of Marin, just across the Golden Gate Bridge. It would be great to learn how Sausalito might better contribute to a sustainable regional economy and what opportunities the City and its business community might have by establishing a more targeted, conscious working relationship with the County and its nearby cities. More office employment in Sausalito could shorten many marimates' commute and could establish a stronger symbiotic relationship between the City and the County.

The report in its present form still lacks sufficient substance; this could be easily remedied by inserting the data that Sausalito's elected officials, staff and the BAC will need for evaluating options and the cost/benefit of contemplated actions. Sausalito's business community, staff and elected officials could justly hope that the author would leave them with tangible references; for example, if the City's greatest tax revenues come from its (waterfront?) restaurants, how many dollars/year would each additional restaurant seat generate? -- Or, what might be tangible sales tax benefits of the occupancy of each 1,000 square feet of vacant Class A office space in terms of the associated (5-6) employees' local purchases? -- Or, what are really the frequently mentioned "associated businesses" related to marine-serving industries? -- Such useful information can be still added to the Draft Report.

While acknowledging tourism as a major source of revenue to Sausalito, the report might also emphasize the seasonal nature of this business; it is yet to emphasize the marked difference between the benefits of "day trippers" and overnight visitors and to point out potential benefits of adding to the inventory of Sausalito's hotel rooms. The prospect of Sausalito becoming more of a sought-after overnight vacation destination in Marin County could be brought to policy-makers attention by quoting appropriate figures.

In addition to discussing vacancies in commercial office buildings, the report might also point out the prevalence of vacant and severely underutilized prime urban land.

In referring to the benefits of clustering mutually complementary businesses, the report might also point out the advantages of consciously creating appealing "business addresses" in Sausalito.

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Noteworthy is the lack of specifics in the proposed Action Plan. Sponsors could hope to read a list of recommendations leading to *long-range city policies* (for the next decade and beyond) that would help Sausalito position itself advantageously within the broader framework of Southern Marin + a list of specific *early actions* that respond to opportunities within the near future (America's Cup?).

Long-range policies would serve as a valuable reference in all of the City Council's decisions and would guide the City in setting priorities for "projects."

Early actions would be clearly defined as specific *Tasks*, with their anticipated *Benefits*, recommended *Timing*, with their *Lead Agency* or suggested *Staff*, associated *Budget* requirement and *Source of Funding*.

Finally, there is disproportionate emphasis on the America's Cup event, without much specific data, i.e. how much public and private investment would be warranted and how such an event would benefit the City and the community?

Language

The report still needs a thorough editing, both for English and for politically sensitive usage of words. Some sentences are difficult to understand and references to needed "change" and "economic development" might be misinterpreted by conservative readers committed to preserving historic qualities of Sausalito. (There is a reason why Sausalito does not have an office of Economic Development!)

The report would also benefit from reference to the fact that the WAM report was produced at the City Council's request by a Committee specifically hand-picked by the City Council, and that the thorough, substantive reports produced by the Harbor and Downtown Action Committee and the Transportation Action Committee reflect valuable input provided by city staff assigned to the Action Committees.

CONCLUSION

A review of the Draft document suggests that much work will be required before the report will meet its objectives of providing Sausalito with an up-to-date *regional perspective* of its full potential, a good *data base and alternate scenarios* for assuring its prosperity, for making *strategic policy decisions* for the future and affecting a specific *action program* for safeguarding the City's financial stability.