

BUSINESS ADVISORY COMMITTEE

Thursday August 15, 2013

8:30 am

City Council Conference Room

City Hall at 420 Litho Street

DRAFT MINUTES

1. **Call to Order** (8:45 a.m.)

Attendees:

Ray Withy (Council Rep.)	John Cox (BAC Appointee)
Tom Theodores (Council Rep.)	Jeff Scharosch (Chamber Rep.)
Cheryl Popp (Chamber Rep.)	Joseph Lemon (Chamber Rep.)*
Adam Krivatsy (Council Appointee)	*Via Speakerphone

City Staff:

Lilly Schinsing, Administrative Analyst

2. **Public Comments on Items Not on Agenda**

None.

3. **Approval of Minutes**

Draft Minutes of March 21, April 18, May 16, June 20 and July 18, 2013 approved as written.

4. **Chair's Status Report**

It is encouraging that the Marin Economic Forum (MEF) is prepared to explore technological opportunities in Marin County, including Sausalito. A workshop re. this subject is scheduled at MEF's board meeting of 8/16/13.

Council Member Theodores interjected, wondering on what basis Marin County assumes that Sausalito might welcome such businesses. Chair Krivatsy explained that the BAC spent several years working with former County Supervisor McGlashan in establishing collaboration between the County and Sausalito for mutual benefit and that MEF's recent endeavor of exploring expansion of technological firms in Sausalito is based on Dr. Eyler's findings as an opportunity for economic development in Sausalito.

On August 29th MEF Technical Enterprise Working Group will discuss how technological "start-ups" can be accommodated in Marin. Developer/Operator Bruce Huff was invited to advise the Group re. his company's success with such endeavors in Sausalito.

Council Member Withy wondered what was the source of statistical information used as the basis of ABAG/Metropolitan Transportation Commission's (MTC)

Plan San Francisco Bay Area's (inaccurate) projections for the future? – Chair

Krivatsy advised that those numbers were not supplied by MEF and they merely represented standards applied in “prudent regional planning” for the future. Chair Krivatsy promised to provide Council Member Withy with the name and contact information of MTC’s Executive Director. Committee Member Scharosch will ask MEF’s Executive Director whether he knows how MTC’s numbers were derived.

5. Membership on The BAC

Chair Krivatsy thanked Lilly Schinsing for her 7/18/13 Staff Report re. the Charter of and membership on the BAC. He pointed out that the loss of Committee Members Noack and Van Meter as well as the rotation of Committee Members necessitates appointment of new members and suggests a review of the BAC’s composition. He pointed out that ideally the BAC should include representation from

- The downtown business community
- Commercial offices
- Hospitality businesses
- Real estate interests and
- Marine services

In consideration of the BAC’s collaboration with Sausalito’s Chamber and essential representation from the residential community, the BAC would benefit from continued Committee Membership from

- The local professional community
- Major property owner(s)
- Sausalito resident(s) and
- The Chamber of Commerce

Reference to the Staff report revealed that Chair Krivatsy and Committee Member Scharosch are just about termed out. This means that the BAC must find four new members to fill vacancies. Of these existing and expected vacancies, two will have to be filled by the City Council, one by the BAC and one by the Chamber.

Lilly Schinsing will post the necessary notices for the vacant -- or to be vacated -- positions on the BAC. Chair Krivatsy requested that Committee Members Scharosch and Popp form a “Sub-Committee” charged with identifying and contacting promising candidates for filling vacant positions. At the group’s suggestion, the Sub Committee will contact

- Paul Dines (Jeff)
- Napa Valley Burger (Lilly)
- Tom Gangitano
- Bruce Huff (Joe)
- Ken Petersen
- Jim Madden
- Camara Scremin
- Chris Gallagher,
- Mike Stone,

Larry Mindel
Michael Rex
John Williams

Chair Krivatsy will ask Eckart Noack for his recommendations and will talk with Michael Rex about his possible interest in serving on the BAC. He also suggested selecting a new Chair; however those present want to table this until vacancies on the BAC will be filled.

Committee Member Lemon hopes to be back in September....

Council Members Withy and Theodores advocate a *gradual, smart transition*. (Adam and Jeff are essentially termed out, but agree to stay on during transition)

The Membership Subcommittee will contact potential members. Lily Schinsing will post Sausalito Currents with applications due to her by 9/17/13.

Council Members Whity and Theodores: The Charter of the Committee is to be formally changed; it should reflect that City Council members are *liaisons* and not voting Members of the BAC.

Cheryl Popp suggested focus on the next agenda item

6. Acceptance of the Final Draft of Sausalito Strategic Asset Planning Report (SSAPR)

Chair Krivatsy thanked John Cox and Council Member Withy for collaborating with Dr. Eyler on successive re-writes of his \$5,000 focused addendum to his earlier, \$40,000 economic analysis.

Council member Withy volunteered that the significance of the subject matter would have warranted fees of \$50,000. He reminded those present that while in the past the BAC has focused on Marinship, with the Marinship Steering Committee being appointed, the BAC's new focus should be on looking at *economic activity of the whole city*; see Item #14 on the Council's Priority Calendar; attracting and retaining businesses that are compatible with Sausalito goals, especially *maritime and arts businesses*. BAC should put all the pieces together. Establish criteria for finding them, attracting them and providing appropriate space for them.

Chair Krivatsy suggested a *workshop* facilitated by a commercial real estate person for establishing suitable criteria for guiding follow-up action. He also reminded those present that Dr. Eyler's focused report should be accepted by the BAC and he invited comments to this effect.

With time running short, only a few comments on the report's contents were offered:

Council Member Withy suggested that too many conclusions should not be drawn from the report because while the methodology of the multiplier effect is theoretically sound, at the given scale its effect is insignificant; political reality is that (until the

MSP is updated) commercial space in Marinship is not going to expand. Meaningful business clusters must be much larger than what Sausalito could ever accommodate. We must remember that the report was written with the assumption that Sausalito is not ready for a zoning change.

Committee Member Joe Lemon volunteered that it is highly unlikely that Sausalito will be able to attract new marine use to its waterfront. With the costs of operation rising the profitability of Marine businesses is declining. Committee Member Lemon has waterfront space that he is unable to lease; “We don’t have or want workforce housing to support marine industry” – he added.

With time running out, the group decided to continue the discussion and accept the Final Draft of Sausalito Strategic Asset Planning Report (SSAPR) at the BAC’s September meeting.

7 Adjourn

At 10:00 a.m. the meeting adjourned with the understanding that

- o Agenda Items 6 and 7 will be re-visited at the BAC’s September 19, 2013 meeting
- o Agenda topics for the next meeting will also include a progress report from the BAC’s newly appointed Membership Subcommittee

Thanks to Committee Member Cheryl Popp for taking these notes