



STAFF REPORT

SAUSALITO CITY COUNCIL

MEETING DATE: April 28, 2020
AGENDA TITLE: Creation of an Economic Development Committee
LEAD DEPARTMENT: Administration

RECOMMENDED MOTION:

1. Adopt a resolution of the City Council of the City of Sausalito Creating an Economic Development Committee.
 2. Thank the members of the Business Advisory Committee and the Hospitality Business Development Committee for their service to the City of Sausalito and either:
 - a) adopt a resolution to disband and dissolve those Committees; or
 - b) direct staff to return to the Council for that action when the Economic Development Committee has been populated.
 3. Direct staff to seek applicants for the Economic Development Committee
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SUMMARY

The Council is being asked to consider the creation of a new Economic Development Committee (EDC) that will take on and expand the existing roles of the Business Advisory Committee (BAC) and Hospitality Business Development Committee (HBDC). Combining these two committees into one new committee will streamline city resources and improve communication between the business community, City Council and city staff.

The BAC and HBDC serve very important roles for the City, merging and evolving these committees into the EDC we enable addressing the additional requisite components of:

- Resiliency and diversification of our business mix
- Building a global brand
- Pursuing new businesses and investments (i.e. climate change)
- Responding to pandemic
- Engaging our community

BACKGROUND

The BAC was established in 2009 pursuant to City Council Resolution No. 5004 when the Council took action to reorganize what was then called the Business Advisory Board. In 2010 the City Council adopted Resolution No. 5155 and confirmed the creation of the HBDC in 2007.

The roles of the two committees and their current membership are summarized as follows:

<p><u>Current Role of the BAC</u></p> <ol style="list-style-type: none"> 1. Periodically evaluate the economy of the City of Sausalito 2. <i>Identify actions to promote the economic health of the business community</i> 3. <i>Perform other duties as requested by the City Council or as considered advisable by the Committee and approved by the City Council</i> 	<p><u>Current Role of the HBDC</u></p> <ol style="list-style-type: none"> 1. <i>Promote the hospitality and tourism industry in Sausalito</i> 2. Suggest programs and make recommendations to the City Council 3. Facilitate programs that are approved by the City Council
<p><u>Current Membership of the BAC (9 members)</u></p> <p>3 Residents, 3 Chamber appts, 3 BAC appts</p> <p>Marta Carvalho – Resident (Chair)expired Term 2 Bruce Huff – BAC appt. (Vice Chair)expired Term 2 Aaron Singer – BAC appt. Chris Gallagher – BAC appt John Scopazzi – Chamber appt Jeanie Schwartz – Chamber appt Juli Vieira – Chamber of Commerce Maya Thomas – Resident expired Term 1 Payam Behradnia – Resident</p>	<p><u>Current Membership of the HBDC (6 members)</u></p> <p>2 Hotel, 2 Restaurant, 2 Chamber Commerce</p> <p>Mark Flaherty – Hotel industry (Chair) Yoshi Tome – Restaurant (Vice Chair) Jeff Scharosch – Restaurant Pat Sorber – Hotel Juli Vieira – Chamber of Commerce Arness Pogni – Chamber of Commerce</p>

Councilmembers Burns and Reilly serve as the Council liaisons to the HBDC and BAC respectively. On April 22nd a joint meeting of the BAC and HBDC was held and the Committees received a presentation from the Council liaisons and discussed the creation of a new Economic Development Committee.

DISCUSSION

The proposed Economic Development Committee (EDC) would advise the City Council on matters related to promoting and growing the businesses that operate within the city. These businesses will address the needs of the residents, regional community, extended stay visitors and daily visitors. The EDC would also make recommendations on how the city can pursue new business opportunities that leverage our maritime history and industrial skill sets to address emerging challenges with climate change including sea level rise.

It is important to create this committee now to address the immediate and emerging challenges/opportunities for our business community:

- Shift to on-line retail
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- Pursue high quality tourism in the face of declining tourism
- Improve our resiliency through diversification of industries and businesses
- Pursue innovative business opportunities in climate change and SLR
- Drive a business and community strategy to recover from pandemic as quickly as possible
- Embrace a holistic view of our business community including retail (visitor and local), hospitality, arts, applied arts, maritime, light industrial, services, and office
- Streamline our City and Community efforts with an aligned and empowered committee

Proposed Role of the Newly Formed Economic Development Committee (EDC):

Included in the draft resolution creating the EDC (Attachment 1), the express purpose of the committee would be to:

1. Identify actions to promote the economic health of the business community while preserving our unique characteristics as a welcoming waterfront community.
2. Promote the hospitality and tourism industry in Sausalito while fostering businesses that serve and enjoy the loyalty of our local and regional community
3. Identify programs, policies, and activities that can help the business community recover from the economic recession catalyzed by the COVID19 Shelter-in-Place (and future economic recessions).
4. Pursue new and diversified businesses leveraging our maritime and industrial expertise to address climate change challenges such as sea level rise
5. Perform other duties as requested by the City Council or as considered advisable by the Committee and approved by the City Council

Proposed Membership of the Newly Formed Economic Development Committee (EDC)

It is recommended that the EDC be comprised of 11 members but the Council only seek to currently fill 9 of the available seats with representation from a diverse set of businesses as follows:

- Hospitality/Retail (Hotel, Restaurant, Retail, Services)
- Business (Non Hospitality/Retail/Services)
- Chamber of Commerce
- Resident
- Future (Financial, Research, Industrial, Other)

Staff is requesting that the Council provide on the number of representatives on the EDC in each category.

Appointment Process

Pursuant to Sausalito Municipal Code Section 2.58.010 the City Council may, by resolution or minute order, establish and modify procedures for the submittal of applications to serve on City boards, commissions and committees and the interviewing of applicants. Section 2.58.010 also provides that it isn't necessary to interview

incumbents who are reapplying for an additional term to the same board, commission or committee unless the Council establishes otherwise.

Members of the BAC and HBAC were notified to email the City Clerk if they would like to serve on the EDC. Currently 6 members have indicated their desire to be on EDC: Marta Carvalho (BAC), Maya Thomas (BAC), Bruce Huff (BAC), Aaron Singer (BAC), Juli Viera (BAC-HBDC), and Mark Flaherty (HBDC). Because they have been previously interviewed the Council may want to waive the interview requirement for members of the BAC and HBAC that would like to be on the EDC.

Additionally the Council can direct staff to advertise through the Currents and the City's website that the EDC has been created and that the City is accepting applications for membership. The Council can elect to interview any new applicants.

During the discussion at the joint BAC and HBAC meeting committee members asked about how "terms" would be applied to the EDC. If the Council views this as the creation of "new" committee, the EDC, the Council could determine that when members are appointed to the EDC they are starting "anew" even if their terms on the BAC or HBAC had or would soon be expiring. Alternatively, if the Council views this as a merger of the BAC and HBAC into one committee the Council could determine that time served on the BAC or HBAC would "count" as time on the term of the EDC.

FISCAL IMPACT

None.

STAFF RECOMMENDATIONS

1. Adopt a resolution of the City Council of the City of Sausalito Creating an Economic Development Committee.
2. Thank the members of the Business Advisory Committee and the Hospitality Business Development Committee for their service to the City of Sausalito and either: a) adopt a resolution to disband and dissolve those Committees; or b) direct staff to return to the Council for that action when the Economic Development Committee has been populated.
3. Direct staff to seek applicants for the Economic Development Committee

ATTACHMENTS

Attachment 1- Draft Resolution Creating the EDC

Attachment 2 – Draft Resolution Disbanding and Dissolving the BAC and HBAC

PREPARED BY: Mary Wagner, City Attorney

REVIEWED BY: Heidi Scoble, City Clerk

REVIEWED BY: Yulia Carter, Assistant City Manager/Administrative Services Director

SUBMITTED BY: Adam W. Politzer, City Manager
