SAUSALITO PLANNING COMMISSION REGULAR MEETING

Wednesday, January 28, 2009

Transcribed by:

Vicki Blandin (510) 337-1558 vblandin1@yahoo.com

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Sausalito Planning Commission Regular Meeting 1-28-09

Present:
Chair Bill Keller
Vice-Chair Stan Bair
Commissioner Stafford Keegin
Commissioner Joan Cox

Absent:

Commissioner Eric Stout

Item #3: HENRY / 660 Bridgeway Blvd. (CUP 08-002)

CHAIR KELLER: Our next item on this evening's agenda is 660 Bridgeway.

ASSOC. PLANNER BURNS: The Applicant and owner, Chris Henry, is requesting a Conditional Use Permit to allow the conversion of a vacant second-level commercial building for office uses. The existing space is currently vacant and it was previously a restaurant.

The project site is located at 660 Bridgeway, which is located within the Central Commercial Zoning District. The project area is also designated as the Central Commercial General Plan Land Use designation and is identified within the Hill neighborhood in the General Plan. Adjacent land uses to 660 Bridgeway would be Yee Tock Chee Park to the south. There is a variety of commercial retail and service uses surrounding the area on Bridgeway as well as El Portal, and there's the (inaudible) that is adjacent to the project site as well to the north.

This slide shows an existing photo of the building. You can see the original Quonset Hut architecture was originally constructed in approximately 1939. There have been many renovations to that building since that time and a kind of more geometric addition was installed in the building approximately around the 1970s.

This project site has a significant history of land uses, but I'm just going to go back based on this application for a Conditional Use Permit. The Applicant originally submitted an application for a Conditional Use Permit regarding the conversion of the vacant second level space into office uses. This item was brought before the Historic Landmarks Board because the building is identified as a historic building and on the National Register List for the State Register List. This item was reviewed by the HLB two times and at the conclusion of those meetings the Board voted two-one to recommend approval of this use to allow the conversion of the office. However, in those register minutes there were concerns regarding storage and office materials placed within windows, and there was one dissenting vote and that (inaudible) that this office would (inaudible) impact the economic vitality of downtown.

As part of this original application that was heard by the Board there were no proposed exterior modifications to the historic building. When this item was forwarded to the Planning Commission on April 23, 2008 many of the same concerns were raised, however at that meeting one of the big issues that was addressed was loss of public access to views. Historically the upper level was used for a Houlihan's restaurant which was somewhat of a landmark in Sausalito. When Houlihan's left it was another restaurant and I guess the concern at that time was historically any person could go up to the second level and enjoy the view of the bay. And so at that meeting the Planning Commission wasn't quite sure that a positive vote could be achieved and so it was recommended to the Applicant that they potentially consider alternative uses and continue this item to a date uncertain.

Throughout that time Applicant worked with his architect and created a concept that would remodel significantly the historic building and proposed a hotel use. At that meeting the hotel use wasn't really the topic of concern, it was more the proposed

modifications to the historic building, and so this item was again continued to a date uncertain in order to allow the Applicant to address the items that were raised at that meeting.

Since that meeting the Applicant has decided to return back to his original proposal, which would be to convert the upper level into four office suites. As you can see here approximately the second level consists of 5,000 square feet, and there would be two office suites that would range from 1,000 square feet, and then two office suites that would be below that.

As part of this application no exterior improvements are proposed, and to ensure that if there are exterior improvements that are necessary as part of these renovations, Staff has recommended a Condition of Approval that requires all exterior modifications to the building to be reviewed by the Historic Landmarks Board as well as the Planning Commission.

When Staff was reviewing this application for the proposed conversion to office Staff found that in terms of the Zoning Ordinance and consistency of the General Development Standards that this project is consistent with those items, that there is no addition or increase from floor area ratio and there is no additional building coverage that's required as part of this use. The use may be permitted with the Conditional Use Permit and whether those findings could be approved, and there is a specific requirement in the Zoning Ordinance that states that no additional parking is required when you're converting a use to a less intensive use, and an office use does generate less trips per day than a restaurant use.

The items for consideration that the Planning Commission needs to address is whether or not the Conditional Use Permit findings to permit the office conversion can be supported. There are four specific findings that are identified in our Zoning



Ordinance specifically relating to the office conversions. One would be the proposed use will to promote diversity and variety to assure a balanced mix of commercial uses available to serve both residential and visitor populations. Upon review of this finding Staff believes that the office use will provide a mixture of uses, and although this isn't predominantly visitor serving uses, does add to a balance of uses within the Historic District.

The second item would be that the proposed use will not result in an overconcentration of specific uses within the district. Staff contacted a company that we contract out to called Muni Services regarding business licenses and found that of the 106 business licenses within the CC Zoning District only 12 are offices, which equates to 11% of the business licenses with that zoning district.

The other item is that the proposed use would be mutually beneficial to and would enhance the economic health of surrounding uses in the district. A new business or professional office will help to diversify Sausalito's economy and encourage the retention of local businesses, and I'll discuss the reason why Staff believes that as soon as I'm done with this next finding.

Then the other item relates to the proposed use will enhance and maintain the efficient use of available public and private parking in the applicable district, and as stated in the previous slide this use does generate less of a parking demand and therefore this finding does not need to be achieved or that the new uses provide a less intense parking demand, and therefore can be met.

An item that was raised to Staff today related to a vacancy rate issue in Sausalito and the Historic District, or the downtown area, and we were able to speak with Bruce Huff, who is a commercial real estate manager and he's also a member of the Sausalito Business Advisory Commission. He provided us with a current copy, which we handed

out to the Planning Commissioners on the dais from Orion Partners Limited. They are a commercial brokerage firm and they provide these quarterly market reports on vacancy rates in Marin County, and in southern Marin, which consists of Mill Valley and Sausalito, currently there is a 12.2% vacancy rate. I had questions regarding whether or not that was significant, so I contacted David Walwyn (phonetic), who is in charge of leasing investments and also in charge of the southern Marin I guess commercial business, and he stated that Mill Valley definitely had more of a vacancy rate issue than Sausalito, or stated that Mill Valley had a higher vacancy rate, and then I asked him a couple of guestions further and he stated that in terms of the Class A buildings, which would be more of the higher-end, multi-level commercial buildings; usually they have elevators and they're managed by property managers, that in Sausalito there is currently 47,000 square feet out of 186,000 square feet that's currently vacant, and this square footage is focused at One and Three Harbor, as well as Marina Plaza; there is nothing in the southern end of town. He also indicated that the Class B buildings, which are more the boutiquey, small office buildings, they could be nicer or they could be older, they don't have elevators and they're not typically managed by a property manager, that there is less than a 5% vacancy rate. So out of 350,000 square feet of Class B buildings, there is a demand or a vacancy of approximately 15,000 square feet, and he stated that these numbers were very low.

In terms of speaking with both Mr. Walwyn as well as Bruce Huff, the good news is that because Sausalito is such a boutique market there is always going to be a demand to be located here. You're not going to have the typical uses that would go to San Francisco or Novato. You would have people that want to be located in Sausalito because of its presence.

The other issue to discuss is that the vacancy rates being experienced today are nothing like those Marin County faced with the 2001 dot come bust, so even though 12% is a number that's out there, it's a lot less significant that it was at one time. I hope that information helps you with the findings regarding this use.

Other items for the Planning Commissioners to consider are whether the purposes of the Commercial Zoning Districts and well as the CC Districts can be achieved. One would be does this proposed use provide space for a diverse type of commercial activities to serve people and industry while maintaining and strengthening the economic base of the City of Sausalito? Will the use implement the General Plan by designating a variety of commercial districts—well, this is more district oriented—so that all appropriate types of commercial activity may have a suitable location. This is important to consider, because most of the office uses are somewhat concentrated in the northern end of town and based on the current business licenses in the southern end of town maybe there needs to be a little bit more diversity. Will the use permit the establishment of varying commercial uses in locations suitable both to individual enterprises and the entire City of Sausalito? Does the use promote the constructive improvement or orderly growth of existing well-located commercial centers and districts? And this item doesn't actually apply, but will the use protect residential districts adjacent to commercial uses? In the downtown CC District it is encouraged that you have mixed-use and that residential units are located on the upper levels.

And then there are more kind of purposes that the Planning Commission should find consistency with. Will this use provide for a wide variety of retail and services to serve Sausalito's residents and visitors? And these are more Central Commercial Zoning District specific. So as you'll see with these findings, they're more intended to lower level retail oriented type uses, so it does give the Planning Commission some

flexibility with regard to the upper level, so will the use provide for enhanced quality and reduced redundancy of downtown's available merchandise? Will the use maintain an inviting shopping environment for visitors, or will it detract from the visitors? Will the use provide for and encourage ground floor retail businesses with upper level residential uses? This would be the one item that should be considered specifically relating to this use, because residential uses are not being proposed. Will the use promote continuous retail frontage and promote establishments that tend to break up such continuity? The lower level will remain retail, so Staff believes that this finding is consistent. Will the use provide for accessory manufacturing uses incidental to primary commercial activity, which would be non-applicable.

With regard to public notice and feedback, with the original application that was heard by the Planning Commission in April 2008 there were ten signatures supporting the proposed office conversion. When Staff looked back at the signatures, there were only four that actually spoke to who they were affiliated with and four of those were affiliated with specific uses in the Downtown District. The Applicant could probably provide further detail on where those signatures came from.

And then with regard to written feedback, one letter of opposition was received late this afternoon and the concern regarding that opposition letter spoke to whether or not the proposed use would disrupt the economic vitality of the downtown, and a copy of that letter has been handed to you before the beginning of this meeting.

So in closing, Staff recommends the Planning Commission adopt the recommended Resolution of Approval on the basis that the findings can be made to support the approved office conversion. However, the Planning Commission does have alternative actions, which could be to approve the Resolution of Approval subject to additional conditions of approval, you can continue this item for more information and/or

revisions to the plans, you could require further environment review and analysis, or lastly, you could direct Staff to prepare a Resolution of Denial.

With that I will end my presentation and I am available to answer any questions you may have.

CHAIR KELLER: Thank you, Heidi, for that comprehensive report. Any questions of Staff? Chris, would you like to come up and make your presentation?

CHRIS HENRY: My name is Chris Henry and I wanted to thank you folks for being here tonight; I really do appreciate it, you coming down here on a Wednesday night, and I wanted to especially thank Heidi for doing a terrific job on putting together this presentation; very detailed and comprehensive and I think you did a very nice job.

I would just like to say that I believe that the office use is consistent with the General Plan policies of the downtown as described in the applicable Zoning Ordinance. The proposed office use will enhance the local economy by attracting small businesses to the site that has been vacant for several years. I believe it is consistent with the some of the other buildings in downtown as there are other offices, and I believe the original building that was build back at the turn of the century was used for offices as well, so I'm not asking for something that's out of the ordinary.

The upper story will provide a balance to the mixture of the use downtown, and the upper story will bring employees to patronize the downtown businesses. Right now the building has been boarded up and it's been vacant for several years, and employees coming in to work there in the office will patronize the downtown restaurants and businesses, so I think it helps the vitality of the downtown. The proposed use of office will also ease the congestion with the downtown traffic, so I think it's a benefit there as well.

There was a letter that was brought in by Mike Monsef today which indicated that he would like me to go back to the idea of doing the hotel, which proved to be not economically feasible for me, because it's such a small space. He mentioned in his letter here that he had a discussion with the Mayor and that the Mayor was very much in favor of it. Well in fact the truth of the matter is after the last hearing that we had the Mayor met me outside the door here and he told me he didn't want to see a hotel going in downtown. So that's part of the reason why I've gone back to office and I think it's an economically viable way to go.

At this point I'd like to introduce my architect, Richard Berling and he can talk a little bit more about the project, and I'd happy to answer any questions you may have.

RICHARD BERLING: I'm Richard Berling; I'm one of the architects for Chris in this project. Heidi has done such a thorough job, and so has Chris, I don't know what I can really add.

But our strategy on this—this is our third time before you; first was for offices, then with the hotel, and then back to offices, because as Chris has concluded, it's the most economically viable and makes the most sense—we thought that we should establish what the use is going to be before we get into the specifics of the design of the exterior. We understand that it's in the Historic District, but there's a lot of confusion as to specifically what the design parameters would be, so we're going to engage an architectural historian to give us an exact definition of what component of the building is historic and what is not, and we'll wait for that, and based on that, once we understand what the use can be, we will most likely come back before you and show you what it will look like, but we thought we would step back, come to an understanding of what the use specifically will be, and that will give us some kind of guideline as to move forward.

We've broken it up into four quarters, two facing the bay and two facing the street. They are approximately 600-800 square feet, but it does allow the flexibility if someone wanted to take the front two or any combination of the offices, we have that ability to do that, so we'll let the market dictate the specific user. We've been approached by attorneys, CPAs, a merchant marine type of operation, so once we get clear direction what we can put in there, offices hopefully, we'll be more specific about the design.

So if you have any question about it, I'd gladly answer them.

CHAIR KELLER: Any questions of the architect?

COMMISSIONER COX: I have a question of the Applicant. I was curious if you had considered what types of rents you would be charging and if those are consistent with rents of other office space in Sausalito?

CHRIS HENRY: I have done a study and I think rents in the range of \$3.00 a square foot. It would be a little bit less in the two suites that face Bridgeway and then a little bit more with the two suites facing the water. But it would balance out to be about \$3.00 a square foot, in that range.

COMMISSIONER COX: Do you know what the average rental for office space is in Sausalito?

CHRIS HENRY: It depends on where you're located, whether you're close to the freeway or closer to downtown, and it depends whether it's waterfront or back off from the water, so it really varies anywhere from as low as \$1.75 to \$3.00 or \$4.00 a square foot.

COMMISSIONER COX: Around the corner near the ferry landing, there's office space back there. Do you know that?

CHRIS HENRY: I'm not familiar with that building.

COMMISSIONER COX: Okay.

CHAIR KELLER: Chris, just for clarity, could you just give us a brief history.

You've owned the building now for what, over two years?

CHRIS HENRY: I've owned it over two years and the upstairs was previously Houlihan's and they were in business for about 18 years.

CHAIR KELLER: Correct. I think it would be helpful for two of the commissioners who were not here for the original application that you brought before us with regard to a Conditional Use Permit for office space, for their own edification if you could just kind of walk through what outreach you did with regard to other types of uses, meaning restaurants, any type of retail, and what was the response, what interest you got, why they decided not to go ahead with it.

CHRIS HENRY: Sure. Originally I bought the building, and in speaking with the previous owner he tried for two years to rent out the upstairs space as a restaurant without any luck, and the reason it was vacant was a combination of issues. Number one, there was no elevator, and number two, restaurants upstairs are not economically viable. The building has a long history of restaurants that have failed over the years.

And so I bought the building and I thought that I would be able to re-tenant it with a nice restaurant, and in doing so I met a lot of interesting people along the way, a lot of pillars of the community and have become friends with them: Larry Mendel and Carlos Santana and the Buckeye Group as well as some restaurateurs that have some high profile restaurants in the Fisherman's Wharf area, in particular a gentleman that has a restaurant called Cioppino's, which he also has a second-story restaurant down in the Monterey area, and so he's familiar with running second-story restaurants, and he looked at it and he told me, "There's no way that I'll come in there and rent from you," and I said, "Well how about if I make you real good deal and I'll give it to you for a \$1.00

a month for the first year or yeah-and-a-half?" and he said no. It's just a second-story restaurant is not going to make it there.

That was a little bit discouraging, so I thought I'll pursue other avenues and I looked at the office aspect in conjunction with other items, and after the restaurant issue the office issue came to mind and so I thought that I would try that and the first hearing didn't go too well. Some of the commissioners didn't really like the idea; they thought it wasn't creative enough. They wanted me to go back to the drawing board and see what I could do to be a little bit more creative, so I did.

I hired a local architect, Don Olsen, and spent over \$50,000 to come up with a creative idea of doing a bed and breakfast or a little hotel there, which I thought was a great idea, and as most of you know we came before you a couple months ago with that idea and it didn't go too far. The Mayor of course shot that down; he didn't want to see that, and a couple other members of the community.

So I thought well the makeup of the Planning Commission has changed a little bit and maybe they'd a little more favorable to a young business man and understand that I'm just trying to cover my costs of the building and would look a little bit more favorably upon doing office, so that's why I'm back here tonight. It's been kind of a long frustrating road but I'm here tonight to ask you for your approval for office.

CHAIR KELLER: Thanks for that. Any questions of Chris right now? Thank you. Is there anybody here in the audience who is here to speak on this particular item? Do you want to speak, Vicki?

VICKI NICHOLS: Vicki Nichols, 117 Caledonia. Heidi did a really good job on the history, but the Landmarks Board did work with Mr. Henry in several study sessions and I can really empathize with him. He's got a very uniquely architectural type building, the uses, et cetera. When we first heard this though about the use, we did not have any

comments on the design, it was just about a conditional use report change, and the reason that we voted yes for that was we decided after talking that obviously an office would be less impact on a historical building; there would be less traffic. We didn't have any discussions at that time about design, because nothing was proposed. So design and new use has never come together for the Landmarks Board. I'm a little bit uncomfortable now hearing the use without what's the proposed design of the building, but that's maybe just me being overly cautious.

It is in the Historic District. They did do a lot of work, some very creative work. They went on one vein and then went totally again on another. These particular offices though, in terms of economic viability, I'm not convinced that the argument can be made here. These are small offices. Unless you stuff these, there are not going to be that many people. They're going to be high-end offices. I know that Larry wanted some of them, which is here nor there, but makes sense. He's a close businessman, a very nice businessman. I'm not sure that that really makes the argument for me that it's a business.

My biggest concern is this is going to be the most expensive use for this property. I would hate to see the Historic District start to change, flipped over, that is all upstairs offices, and once it starts that's what you're going to get unless there's some consideration about that as a use. You'll hear, "Well you let so-and-so do it." This may not be the point that you have residential upstairs, and again, I can empathize with Mr. Henry; I think he's tried to do everything. But I'm concerned about precedent, and frankly, if you have a dead space at night you're going to have a dead, dark building there at that juncture, so that is something else to consider. I don't know what the solution is. I'm sympathetic with you. It's a toughie.

MIKE MONSEF: Mike Monsef, 211 Fourth. I have stood over here in front of this Board on April 23rd and requested to pay attention to converting this building to an office. There are a few reasons for that.

I'm very active downtown. first of all I'd like to let you know. I've talked to a lot of the property owners and the merchants. All of them without exception they were not happy about having an office over there.

You are in a position to select. Obviously Mr. Henry has the right to do whatever he wants to his building, but as far as the Use Permit goes, it's at your discretion.

Changing this to office, it's going to kill the activity. Slowly we are going to kill the activity downtown. It has happened. A lot of people come and talk to me about why is it that we don't have a grocery store? Why is it that we don't have a butcher downtown? Well, things have happened and people have moved out. Therefore the residents, they don't have any intention to come downtown. This place has been a restaurant for a long time. The decision of going to office, it reverses what our forefather did for this property. If you research, the park, Yee Tock Chee, over there, used to be a parking lot. The City bought that property, converted it to a park in order for the residents to take advantage of that location. Now, converting that one to an office is going to be turning around and give it to a few privileged people. We take the public away from it. At the time when I came here it wasn't that I was trying to put a restaurant, but I was trying to say there are other possibility that we have to go about it.

Mr. Henry eventually came up with the idea of having an inn. Well just think about it, something like that, how it's going to be the win-win situation for everybody. I send my letter to you because I didn't know whether I'm going to be here or not. The situation is that as a merchant downtown they're going to take advantage of constant changing, these people coming in and out. This is going to create some kind of activity,

generate some energy downtown. Now turn it into an office, that energy is going to die.

The City is going to get TOT, which is going to be a benefit. The people who are going to be there, they're going to end up having good memories of Sausalito.

Therefore I strongly, strongly suggest that you pay attention to this one. This is very important. I know he's frustrated, because our HLB cannot decide physical change of this property, but the use is historic. I was a member of HLB at the time when he came in front of us. The use is historic. Let's preserve the use. It's not the physical change of the property.

COMMISSIONER COX: Can I ask him a question? Go ahead.

CHAIR KELLER: Well, right now there is no use. It's been vacant for years. We've got Gaylord closing and Northpoint Coffee closing. You've heard from the Applicant', he's tried to get restaurateurs to go in there. I hear what you're saying, but reality is reality and the bottom line is the person has come to us, this is the third time, he can't get a restaurateur in there. So what are we supposed to say? You can only put a restaurant in there and he's supposed to sit with the place vacant for the next ten years? What would you do if you were in his position, and how would you like it if someone came up speaking the way you're speaking? Times have changed. There are a number of offices that are on the second floor on the east side of Bridgeway.

The Applicant came to us before with a nine-room bed and breakfast. In all probability that would not pass for various reasons. Historically there would be changes to the outside of the building; people were up in arms about that. I hear what you're saying and in a perfect world one would like to see retail up on the second floor. People say well you're denying the residents of Sausalito the opportunity to use... They haven't used the upper level for four or five years. That upstairs has been vacant for going on

five years now, and it will continue to be vacant if we sit here and say the only thing you can put in there is a restaurant.

MIKE MONSEF: Mr. Keller, no, I'm not saying put a restaurant. Actually I'm opposing to put a restaurant right there in this situation. But putting the bed and breakfast, you see, we have a black...

CHAIR KELLER: I hear what you're saying, but the Applicant has gone back to the drawing board and he has determined that it's not economically viable, and I knew that before he came to us with the last application. It's not going to be economically viable to have nine rooms there.

VICE-CHAIR BAIR: Not to interrupt too much, but my thought on that is it appears to me, and I'm not trying to be cynical, but the Applicant appears to have come back here because the composition of the Board has changed, and there is this other stuff rolling around about the Mayor and all that, and I don't think that's germane to our discussion. I don't care what the Mayor says or which Mayor it was; that's all outside of what we're considering here. I think we all probably appreciate the fix a property owner finds himself in, but Mr. Henry knew he was getting into a sensitive situation when he bought the property, and I'll have time for argument later, but I had to interject that.

I think one of the issues that we have in front of us here is this is the same project we saw on April 23rd. See, this is part of the problem we're facing, if we'd gone ahead with it on April 23rd it seems to me there would have been a denial and we could have appealed from that and seen what happened at City Council. Now in effect Mr. Henry, to his credit and giving him the benefit of the doubt, was trying to come up with a project that he could get a consensus, but he also brought this extra year on, or we're getting close to a year, by this process in terms of bringing the same project back that I saw and you saw close to a year ago. Anyway, go ahead. I'm interrupting.

COMMISSIONER COX: I had a question.

COMMISSIONER KEEGIN: I'd just like to say that it's my recollection that at the most recent meeting of the Commission at which Mr. Henry made a presentation it was suggested that he come back with offices by this Commission.

VICE-CHAIR BAIR: I don't think so. No.

COMMISSIONER COX: We wanted to see some revision to the inn proposal, I thought.

VICE-CHAIR BAIR: That was mine.

COMMISSIONER KEEGIN: Oh, okay, I stand corrected.

VICE-CHAIR BAIR: That's my recollection. What I wanted to see was that I thought we were getting... I recall saying it, although I didn't look in here, saying I think we're getting close to something that is going to alleviate my concerns with respect to the historical aspects of this with respect to view and that sort of thing.

MIKE MONSEF: May I interject one... Go ahead, ma'am.

COMMISSIONER COX: Well I had a question. You were not here with Mr.

Henry made his presentation, but he stated that at the turn of the century this building was used for offices, and you sat on the Historic Landmarks Board.

MIKE MONSEF: Yes.

COMMISSIONER COX: And Ms. Nichols didn't address this, but I was curious to know if you agree with that representation by Mr. Henry.

MIKE MONSEF: Let me tell you, this building was built as a copy of a World War II hanger, it's a model of that, and it was a Purity Market. Purity Market built all these arch type markets and he used part of this space, mezzanine, as storage, and maybe an office at the time. That's how it was.



Now, to answer Mr. Keller, because people, they're not coming up, they don't agree with the change of the building. That's not true, because you see, when you start thinking about black and white, black and white has a range of gray in between. We have to evaluate the range of gray. It's saying that it has to stay the same. I talked to the Mayor, the Mayor said, "No, we don't have any problem. It just sits a little bit back to just show a little bit of that arch would be okay with us." Actually they are in favor of the inn, so economic situation, Mr. Keller, the gentleman, Mr. Henry, for three years has bought this place, and that's the drain of economic, and he didn't want to do any major approach to this. I strongly think, please consider, please consider anything but an office for this spot. Thank you.

CHAIR KELLER: Yes, ma'am.

DENISE DRISCOLL: I'm Denise Driscoll. I just wanted to answer your question, Commissioner Cox.

CHAIR KELLER: Denise, can you state your address?

DENISE DRISCOLL: I live in Belvedere.

COMMUNITY DEV. DIR. GRAVES: I'm sorry, we still need your address for the record, please.

DENISE DRISCOLL: Oh, sorry. One Blanding Lane, Belvedere. The original building on that site as I understand it was the offices for the ferry terminal, and the second floor was the Sausalito Public Library. My understanding was that building burned down and then this building was built in its place.

CHAIR KELLER: Vicki, you had a comment?

VICKI NICHOLS: She and Mr. Henry are correct. That original site was the office of the Sausalito Land and Ferry Company who at the time, being benevolent and selling all those lots and making a lot of money, decided to give the City a portion of that

building to use as the first library, because the City didn't have a place. So it was used as a commercial place and community place.

MIKE MONSEF: But she said this wasn't the same building? It was not the same building when they did that?

VICKI NICHOLS: No, this was the building prior the Purity Market building, but at that site, they are correct, that was the Sausalito Land and Ferry building.

CHAIR KELLER: Heidi, a question for you. What is the makeup of tenants on the upper level across the east side of Bridgeway?

ASSOC. PLANNER BURNS: I was looking into that and our records are a little unclear, but across on Bridgeway there is some mixed-use. There are some offices and residential uses as well, so apartments.

CHAIR KELLER: I know Don Olsen's office is up on the second level.

ASSOC. PLANNER BURNS: Mmm-hmm.

CHAIR KELLER: There is an investment firm that's up on the second level in the next building. I have no idea what's in those four hideous buildings that are next to them that haven't been restored for decades. I don't know what's in there. Do you have any idea what's in there?

ASSOC. PLANNER BURNS: Our records are very unclear.

CHAIR KELLER: I'd be curious to find out what's in there.

ASSOC. PLANNER BURNS: When I looked through the files, a lot of it is storage. There are just building permits from 20 or 30 years ago.

CHAIR KELLER: A fire hazard.

ASSOC. PLANNER BURNS: Yeah. But if you'd like, I do have a list of all the offices and the buildings in which they're located, so I can quickly go through that, or if you want I can hand this to you.



CHAIR KELLER: No, you can go through it.

ASSOC. PLANNER BURNS: Okay, so Barbara Brown, Architect is located at 539 Bridgeway. The Law Offices of James Fargo Peterson are located at 565 Bridgeway. There is a Secura Burnett Company, LLC, 599 Bridgeway. Legend Capital Management, 631 Bridgeway. Don Olsen, Architect, 666 Bridgeway. And then most of the remaining offices are located at 759, 767, 819 and 900 Bridgeway, and actually 900 Bridgeway is located outside of the Central Commercial Zoning District.

CHAIR KELLER: Okay, thank you. Anybody else from the public that would like to comment on this item before we bring it back up here? Okay, I'm going to close public comment and bring it back up here for discussion. Any of the Commissioners like to start off?

COMMISSIONER COX: I had one more question, which was I can't find now where I read this in the packet, but I read somewhere that a concern was the fluorescent lights that would illuminate an office building as opposed to the types of lighting that are there now.

ASSOC. PLANNER BURNS: That would have been from the Historic Landmarks Board's meeting register, and I'm not quite sure which meeting it was, but we have both of them in here. But those items would be addressed as part of the Design Review Application.

COMMISSIONER COX: Okay.

VICE-CHAIR BAIR: I'd like to start. My comments remain the same as they were, or my sentiment, perhaps not words exactly. I think we one, this is kind of a real sensitive area downtown when you have what was a long-time use that involved a quasi-public access to a view that is spectacular, that I think we should think long and hard before we allow that to be interfered with, and it's part of that balance. I mean I



think I tend to agree with Mr. Monsef's analysis. As we indicated back in April of last year, we felt, or I did, that this would significantly interfere with the potential of downtown. You had Houlihan's, and Water Street after that, for a good number of years and that drew a lot of people down there and I think allowed access to the view and all those of things that come with that sort of thing.

I think in the case here where we're talking about turning it into four offices, I don't find that this office conversion is going to promote diversity and variety to assure a balanced mix of commercial uses. I mean essentially the hub of the downtown area, that part of the downtown, the south end there, in my view is tourism, and the draw has been tourism and that is a substantial part of the economic vitality of that part of town.

I think this town has a significant amount of commercial office space already that is being unused. I can think of a large office that Herb has right there at the corner of Bridgeway and maybe Turney that has been sitting for probably close to a year now with the same sort of view and that sort of thing, and I don't know what the issues are there and I'm not really going to evaluate. If Mr. Henry thinks office space can make his nut, then fine. I mean I don't doubt that.

What I do have some concern about is in terms of what we need to use as the basis for our decision here. I have a lot of difficulty with the just kind of basic hearsay that I talked to this person and that person and I don't have anything in front of me other than a lot of secondhand information that I talked to all these people and they told me that a restaurant can't make it, and I'm not really promoting the restaurant use, although the reason we're here, if I understand the reason, is because we're converting this from a historic restaurant use to office. So Mr. Henry bought that property and my understanding just around town, and Mr. Henry confirmed it, was one of the reasons, if not a significant reason, that the property closed from the use as a restaurant was this

ADA issue about the elevator and nobody wanted to sort out who was going to pay for it between the tenant and the property owner, and I don't know whether that's true or not and that's just one of those things you hear around town and so it doesn't amount to a hill of beans when it comes to what could be relied on if this thing gets appealed, but the fact is Mr. Henry confirmed there was an issue.

I have a lot of trouble that if that upstairs, and I don't know how long it had been since it had been renovated, to go to the restaurant use, to take a restaurant that has been operating for umpteen years, for instance, my analysis is Houlihan's operated for X amount of years and felt that they couldn't make a go of it anymore, but they did sell it to somebody. I don't know how remodeling and all that sort of thing went into that whole building in order to make sure that there was a first class restaurant space up there, and so I have a lot of trouble with somebody who buys it after a long run and things finally ground to a halt and has some significant expenditures just outside of remodeling, the kitchen itself and the sorts of things you need in the bar area and all that to make a place go, and then says well I couldn't get anybody to rent it. I'm not doubting his word that he couldn't do it, but I'm also saying you're not presenting me with a good case that you actually tried.

So I don't think we need more office space down there. I'm sure it could be rented, but when I go to the office conversion in a Historic District with what has been a historic use that has a quasi-public access into that upstairs. To answer one point that was raised, yeah, it has been closed to the public for five years, but that's basically a property owner issue and because we've been trying to resolve this sort of thing.

You have to wonder too when it comes down to rents, I mean you buy it at a certain price and suddenly you have a certain amount of rent you have to charge, so I understand the property owner's issues that he needs to get enough to make it what he

felt he could get a return on his investment, but at the same time we're kind of in a position to consider other things, and it brings me to the point, the last time we were considering this whole formula retail thing and we had a property owner who was in a pretty doggone similar situation, and because of this retail formula thing... I think this is a stronger case that if we're going to make people wait for the right business this is the building we need to make the property owner come up with a creative solution that's going to make him money and also satisfy at least this particular issue in my mind about economic diversity and vitality and what we're going to do in the long run to maintain it and nourish it, and I don't think office spaces will, and I don't think it really enhances or adds to the things that we love about this community to divide this space into four office spaces. So that's how I felt in April and I continue to feel that way.

CHAIR KELLER: Thanks, Stan. Seeing that I've been at the prior two meetings I'll give you my opinion as where I am on this.

As a Commissioner I think we need to weigh in as to what are the various uses that could go in here and then decide, as opposed to idealistically pigeonholing this, well this has got to be for public use, this has to be for public access, it has to be a restaurant. I think we need to look at it from a lot of different angles, and that is the fabric of the community, you can argue it either way. I mean you could argue that this is already a mixed-use building, because you've got retail downstairs, you have a café restaurant already in place on the corner, and I would suspect that you would get pushback from that particular café restaurant owner if in fact Mr. Henry put a restaurant upstairs. So it's a combination of a lot of things, and I think that our decision really has to be whether or not a Conditional Use Permit and office can go in here. It doesn't mean this will be an office in perpetuity. The next owner could come in and say, "I don't want an office anymore and I've got a restaurateur that's willing to come in here and spend

\$5 million and redo this place and I want to turn it into a restaurant." I think if we look at the fabric of our community right now, we do have a lot of restaurants. I would suspect there will be more restaurants closing, and we don't have the population to support the number of restaurants that are in this town, and we need to get more destination types of restaurants like a Poggio.

I have to believe that the Applicant has tried his darnedest to talk to different types of businesses for that space. I know Larry Mendel has looked at this space. I've been up there. Right now it's terrible up there. I mean would cost an absolutely fortune to put a restaurant back up in there right now. So I think in light of that fact, and I've been in the office buildings, the two buildings next door upstairs. Don Olsen's got a beautiful office and the office next to it is very well done. Those have great views, but they're rented. This would be a boutique type of office space, which I'm sure will have no problem being rented. Unfortunately the public may or may not get a chance to see the view from up there. They've got plenty of other places to get a view. They can stand right down on the sidewalk and get the view and don't have to pay anything to go up and have a meal. So I think in light of all that, I have to be sensitive to the fact that we do have vacancies around town and I appreciate Mike Monsef's comments about the diversity downtown, et cetera.

The Applicant came to us with a boutique hotel and it was a great idea, but I never saw that really going anywhere, and I appreciate the fact that the Mayor may or may not like or dislike this. He's only one vote. You know, there are five votes on the Council and they'll have to make their decision accordingly.

From my perspective I can make the findings to grant a Conditional Use Permit for office space, conditioning it with obviously if it does go to that and there is going to be any type of design or external changes to the building, they're going to have to come

back to us to get a Design Review Permit and that point we can deny it if in fact it doesn't meet up to the standards at HLB. It's going to have to come back before HLB if they do any external changes, and HLB can obviously vote it down. But from my perspective right now I can make the findings to grant a Conditional Use Permit for office space.

COMMISSIONER KEEGIN: I largely concur with you, Bill, on this particular item, and I actually think that it adds to the diversity of Sausalito. I think that we are too tourist oriented and that to create more tourist attraction in a part of downtown that is already loaded with T-shirt shops and all of the rest of the stuff that goes along with a tourist based economy, that this does in fact present a chance to diversify and have a different, although small, group of users who will make use of the downtown area at the noontime hour and be there the dinner hour in the neighborhood, and I think that it will diversify the type of usage we have downtown and I think that it will be an appropriate use for that space. Of course it does require going back to the Historic Review Board to have any exterior work reviewed as well as coming back to this Commission for Design Review. So I would support this.

COMMISSIONER COX: I'm really struggling with this one. It's difficult for me to evaluate the use without having a better understanding of the design, and I hate to think of sending the Applicant away with an approval of a use and have him spend another \$50,000 working up his plans only to have them denied by either us or the Historical Board.

CHAIR KELLER: Can I just interrupt for a minute?

COMMISSIONER COX: Sure.

CHAIR KELLER: I think the Applicant is very much aware of that. Staff has told him that in fact we could deny or approve a Conditional Use Permit and come back to

us at a later point; they were going to have to get a Design Review Permit, and at that point they could be denied. So they're very much aware. I think they're trying to do this in a two-step process. If they get granted the first step, then they can really put pencil to paper with regard to the design, and then they're going to have to come back to us a second time and they run the risk, and I think they're very aware of that risk, in front of HLB and in front of us, and if either one of those two bodies can't approve this, then it won't be approved.

COMMISSIONER COX: That's one thing that makes it difficult. I have difficulty with the first finding that we have to make, which is that the proposed use, "will promote diversity and variety to assure a balanced mix of commercial uses available to serve both resident and visitor populations." I don't see my way clear to how an office suite will serve our visitor population, so I have difficulty making the first finding. I think based on the data that was so helpfully provided to us by Heidi I can make the other three findings. So that's where I stand at the moment. I'm not saying I can't make the first finding, I'm...

CHAIR KELLER: Well let me ask you this, Joan, in terms of the first finding, in light of the fact that the building is, as it stands right now you've got quite a mixed-use building.

COMMISSIONER COX: Absolutely.

CHAIR KELLER: If we forget about the upstairs for a moment, if we look at downstairs, there's a restaurant that services both the community and tourists, it's quite busy, and it's got one vacant store. This and That has moved out, but you've got two other stores which are tourist oriented stores.

COMMISSIONER COX: Right. I mean I've lived in Sausalito since 1984. I used to go to Houlihan's regularly, and I knew Houlihan's to be a destination restaurant so

that we had people coming from San Rafael, from the City, to enjoy the views and the ambiance and the service. I mean personally my preference would be a restaurant or some sort of inn or bed and breakfast as opposed to office space. Again, that's my struggle. I'm not sure if I even get past the conditional use phase, if I could get past the design phase. I think a restaurant or inn would lend themselves much better to preserving the historical character of the way the building is presently configured. Without know what kind of offices would be there I can't really deny Condition #1, so I quess I would go ahead and vote in favor of the Conditional Use Permit.

CHAIR KELLER: Okay, so that said it appears as if we have a three to one vote in favor of a Conditional Use Permit, and if we move forward with that I just want to once again emphasize to the Applicant that this doesn't guarantee anything to you, that you're going to have to come back with obviously a design that's going to be satisfactory to both HLB and ourselves, and if either one of those bodies denies your design, for whatever reason, then you're back to the drawing boards again.

COMMISSIONER COX: For my part I would say the whole thing about fluorescent lighting, about the setup of the office, what would be visible from these gorgeous windows to passersby, are issues of extreme concern to me, so I will echo Chair Kellman from the meeting last year in which she urged you to become more creative in terms of a design if indeed you intend to proceed with office use.

CHAIR KELLER: You've been up this is the third time in front of us. The first two times there was a design aspect to your application and I think you got a lot of feedback, not only from the commissioners, but also HLB and also the public. So you've got a lot of opinions weighing in on this building for whatever reason. So I would urge you to be very sensitive to that and very thoughtful and take your time thinking this

through, because you're going to get a lot of people here, I would suspect, who are going to question whatever design you come back in with.

ASSOC. PLANNER BURNS: Actually, before you make a motion, it sounds like you are...

CHAIR KELLER: Do you want to go through the conditions?

ASSOC. PLANNER BURNS: Yes. There's one condition that we'd like to amend, and that would be Condition #1. That's on page three of 14 and it's just for clarification purposes. It states that, "Prior to issuance of a building permit to allow for tenant improvements related to the office use the property owner shall submit a design review permit application for all exterior improvements associated with the use conversions," new verbage, "as required by the Zoning Ordinance," just to make it more clear that all exterior improvements are required to go the design review, but we're providing a little bit more surety that even before he can do any interior improvements the exterior needs to be approved as well.

COMMISSIONER COX: Can I ask a question?

CITY ATTORNEY WAGNER: If required.

ASSOC. PLANNER BURNS: If required.

CITY ATTORNEY WAGNER: I apologize, and I threw this in reading it right now, because if this is the intent of the Commission, if there are exterior improvements that require review, under the Zoning Ordinance obviously they have to come to you. That was all that was the intent of that.

COMMISSIONER COX: Can I ask a point of clarification? Is it true that once we approve a Conditional Use Permit that we will have an opportunity to review and comment on interior and exterior design improvements?

ASSOC. PLANNER BURNS: The Design Review would be limited to the exterior.

VICE-CHAIR BAIR: I didn't hear you saying that when you said you could vote for it.

CITY ATTORNEY WAGNER: I'm sorry, Commissioner Cox.

COMMISSIONER COX: The thing that has confused me is when Design Review was sought in April, I guess, of last year, there were comments about not having cabinets up against the windows, not having fluorescent lighting that would be garish in the evening hours, and so these were items that appear to me to constitute some sort of guidance on the interior of the space.

ASSOC. PLANNER BURNS: And those items would be addressed during the Design Review Application. I mean we'd be looking at interior and exterior lighting because of the windows, so those items would be reviewed, however we wouldn't be looking at the breakup of tenant space. It would just be anything related to the exterior, which would be windows, and there would be conditions.

COMMISSIONER COX: So it would include the appearance from the exterior?

ASSOC. PLANNER BURNS: That's correct.

COMMISSIONER COX: Okay.

CITY ATTORNEY WAGNER: And maybe there's a better way for us to say that, that any tenant improvements that are visible from the exterior of the building would require review.

COMMISSIONER COX: Okay. That would satisfy my concerns.

COMMISSIONER KEEGIN: Would you consider instead of tenant improvement, interior improvements?

CITY ATTORNEY WAGNER: Interior alterations?

COMMISSIONER KEEGIN: Interior alterations or improvements, since tenant improvements are sometimes...

CITY ATTORNEY WAGNER: Fixed terminology.

COMMISSIONER KEEGIN: Yeah.

CITY ATTORNEY WAGNER: Yeah, if the owner makes the improvements it's still the same requirement as opposed to the tenant.

COMMISSIONER COX: So interior alterations visible from the exterior.

ASSOC. PLANNER BURNS: The other item that we have on that same page relating to advisory notes is that our Zoning Ordinance requires a one-year expiration date for Conditional Use Permits. However, because the Applicant will need to embark upon a Design Review Application or may have to embark upon a Design Review Application which may exceed a one-year period, the Planning Commission may wish to add an additional year or two to allow him to get the design approved.

COMMUNITY DEV. DIR. GRAVES: You may want to check with the Applicant to get an idea of their preference for additional time on this.

CHAIR KELLER: Also, while they're thinking of that, along the lines of Joan's concerns, I think that there should be something in there that there is a difference between the Applicant's improvements and the possibility of tenant improvements at some point thereafter. We need to put some wording in there as it pertains to any tenant improvements have to be vetted by Staff before any changes are made whatsoever.

COMMUNITY DEV. DIR. GRAVES: Well I'm struggling with two years after it opens, on the tenant space in the southwest corner, the 1125 tenant space, they come in for a building permit to put a closet in there, and what I'm struggling with is what criteria is Staff going to use in evaluating that building permit application to determine whether it's consistent with the Commission's priorities that you're setting now?

CHAIR KELLER: Well here again it would pertain to anything that's potentially visible from the exterior. For example, let's say a tenant is not satisfied with the lighting and they want to change the lighting inside, which I assume is going to be visible from the exterior.

COMMUNITY DEV. DIR. GRAVES: Well I think we should assume all lighting at night is going to be visible from the exterior, and certainly I think on something like neon we can set a condition there shall be no neon visible from offsite locations. But fluorescent lighting is going to be visible, and short of them saying they must have curtains all the time or some blinds, Staff needs some direction on what the Commission is looking for here.

CHAIR KELLER: Do you have anything that would make you feel more comfortable with regard to tenant improvements?

ASSOC. PLANNER BURNS: Some of these items can also be addressed during the design review phase. The onus is on the Applicant to really come up with a plan. He's hearing what you're saying regarding your concerns regarding how much lighting is going to be omitted out the windows. He has to demonstrate how that's not going to create a detriment, and then there can be further conditions imposed on any type of contracts that City could review to ensure that if interior lighting is changed then we would have review of it. I mean there are alternative solutions.

COMMUNITY DEV. DIR. GRAVES: Well I'm playing devil's advocate here and assuming that the Applicant does not need to come back for any Design Review Permit. Maybe they come up with something that does not need anything, or the Design Review Permits are denied by the City and so the Applicant is just going to stick with the Conditional Use Permit and use the second floor space with its current exterior

configuration and move forward with that for many years, so we don't have a second bite of that Design Review apple, or a first bite of that Design Review apple.

ASSOC. PLANNER BURNS: However, upon speaking with the Applicant, in utilizing this existing building there are going to be modifications to the exterior, because some of the siding has been removed and there are going to need to be new windows that are placed and those items are automatic triggers for Design Review and review by the Planning Commission and the Historic Landmarks Board. So anything he does with this proposed use, even in its existing configuration, is going to require Design Review.

COMMISSIONER COX: If that's the case, then I'm willing to proceed with this Conditional Use approval. But if that's not the case, then my vote would be no.

COMMUNITY DEV. DIR. GRAVES: I think the question should be posed to the Applicant.

VICE-CHAIR BAIR: We don't have any way to enforce the answer is the question.

COMMISSIONER COX: Is the Applicant going to return for Design Review?

RICHARD BERLING: I'm Richard Berling, one of the architects on the project.

The building is so deteriorated and dilapidated and there's so much deferred maintenance that basically we will affect the exterior simply to fix a broken window. The ADA requirements, putting in a new elevator, stairs, doorways, all of that, just to meet that to get a building permit regardless of the historical content will bring us back past that threshold.

COMMUNITY DEV. DIR. GRAVES: The threshold for?

RICHARD BERLING: For coming back for design review, because we will be affecting...

COMMUNITY DEV. DIR. GRAVES: I'm sorry, I don't understand. Why does putting an elevator in trigger that threshold?

RICHARD BERLING: I'm saying ADA requirements, which include an elevator, access to the front door, window openings, exiting will affect the exterior of the building, so we would come back.

COMMUNITY DEV. DIR. GRAVES: If that's it I think then the condition shall be that the Applicant shall come back for a Design Review Permit before this permit is effective.

COMMISSIONER COX: Yup.

RICHARD BERLING: Well we will by definition. It's already there.

COMMISSIONER COX: Okay, then let's go ahead and add that as a condition.

COMMISSIONER BOURGEOIS: If you're saying you absolutely will come back for a Design Review Permit, then it's probably valid to have the approval of the Conditional Use Permit conditioned that a Design Review Permit will be obtained.

COMMISSIONER COX: And while you're up, do you have timing in mind? Do you plan to come back within a...

RICHARD BERLING: As fast as is humanly possible.

COMMISSIONER COX: All right, then I would suggest we not modify the one-year. We can always extend that if necessary, but if they're coming back as quickly as possible and we're adding as a condition that they have to come back for Design Review, I would say leave it as one year.

CITY ATTORNEY WAGNER: So your direction that I'm hearing is the condition reads that the Conditional Use Permit approval is not effective until Design Review approval is given, but at the same time you're saying but it expires after a year.

COMMISSIONER COX: No, I guess (inaudible).

CITY ATTORNEY WAGNER: You're saying that they need to come in within a certain period of time to apply for Design Review approval? The Conditional Use Permit is effective as of the date it is issued.

COMMISSIONER COX: Right.

CITY ATTORNEY WAGNER: However, it's conditioned upon coming back for Design Review. So if they were to put in an office use tomorrow, if you put your office up there tomorrow, we would say you can't have your desk in there, you can't have an office in there, because you haven't gone through Design Review. That's what I'm hearing and I want to make sure that that's accurate.

RICHARD BERLING: I think we would need at least a couple of years, you know, with delays. One year is a pretty tight time constraint, although we'll start working on it right away.

COMMUNITY DEV. DIR. GRAVES: The Commission needs a number.

RICHARD BERLING: Two years.

COMMUNITY DEV. DIR. GRAVES: Thank you.

VICE-CHAIR BAIR: So where are we, I mean in answer to Mary's question?

COMMISSIONER COX: The Conditional Use Permit would issue. There would be no building permit absent Design Review. The Conditional Use Permit will expire in two years.

CHAIR KELLER: We grant it for two years.

COMMISSIONER COX: We grant the Conditional Use Permit for two years. No building permit will issue until there is a Design Review, and the Applicant agrees that there will be no use of any kind until there have been improvements built.

DENISE DRISCOLL: Can I ask a procedural question about that. What happens after the two years?

CHAIR KELLER: Your name again?

DENISE DRISCOLL: Denise Driscoll.

COMMISSIONER COX: I guess you can apply for an extension, but we would need at that time to see some efforts had been made.

DENISE DRISCOLL: So once the Design Review is approved and the work is done, now we're, say, into a year and eight months and now the work is going to be done, then would it automatically be extended or is it possible that we would be back here again, again asking for approval of office use because it's going to expire in four months? Do you see what I mean?

COMMISSIONER COX: No, the approval will expire if the Applicant has not exercised the entitlements.

CITY ATTORNEY WAGNER: Right.

COMMISSIONER COX: So if you have your project built out within two years, it doesn't expire. You're now done. But if you have not come back before us for Design Review within two years, you need to seek an extension or you're conditional use, the conditional use of this project as an office, expires.

DENISE DRISCOLL: So approval of the Design Review has to be completed within two years, but the whole construction does not have to be completed in two years?

COMMISSIONER SAYOC: I'll defer to Mary on that.

CITY ATTORNEY WAGNER: As I'm hearing the Commission, Design Review would have to be completed within two years currently as it stands. You would then pull your building permits. If you pull your building permits and are diligently pursuing the completion of the construction of those improvements, your Conditional Use Permit does not lapse. So if you get Design Review in a year-and-a-half but you don't pull a

building permit, or you pull a building permit and do nothing, then your Conditional Use Permit would lapse.

COMMUNITY DEV. DIR. GRAVES: At the end of two years.

CITY ATTORNEY WAGNER: After two years. So the order that you're going in is you get your Conditional Use Permit. Within the next two years you have to apply for and have a final decision on your Design Review Permit and pull your building permit and commenced some diligent prosecution of completion of the improvements.

DENISE DRISCOLL: Okay. Thank you.

COMMISSIONER COX: Okay, is Staff clear on our directions? Okay.

CHAIR KELLER: Do you want to read it back?

COMMUNITY DEV. DIR. GRAVES: I think where some of this is going to go is in Condition #1 on page 14.

COMMISSIONER COX: Yes.

COMMUNITY DEV. DIR. GRAVES: So at the end of the second line, where it says, "The owner shall submit a Design Review Permit Application," I think we'll put a period there.

COMMISSIONER COX: Yup.

COMMUNITY DEV. DIR. GRAVES: And then we add in a sixth condition that the Conditional Use Permit is valid for two years. I would think that would be it.

COMMISSIONER COX: And I'd like to see another condition that the owner will not use the building for any purpose until after approval of Design Review.

COMMISSIONER KEEGIN: Not the building, but this particular space.

COMMISSIONER COX: This particular space, the upstairs. So in other words he can't just go in and stick all his file cabinets up against the... He has told us that the building is unusable because of ADA requirements, absent certain improvements that

require Design Review. Based on that representation, I'd like confirmation that he's indeed not going to use it.

CHAIR KELLER: I don't see how we can limit it.

CITY ATTORNEY WAGNER: Commissioner, I'm a little concerned about a potential takings issue if we say you can't even store a box up there, if you have construction or something. I think it's clear that they're not allowed to utilize it for an office use, and they don't have permission to utilize it for any other uses at this point. I'm not sure and I haven't looked at whether there are permitted uses that could go in there without any improvements. You know, we're taking it without our building official's input that you can't do anything in there because it's not ADA accessible. I don't hear that for a fact.

COMMISSIONER COX: I think actually my concerns are covered by... What if we said prior to owner or tenant occupancy for #4?

CITY ATTORNEY WAGNER: You want to say prior to occupancy for permitted use, period?

COMMISSIONER COX: Fine.

CITY ATTORNEY WAGNER: I think that would work.

COMMISSIONER COX: Prior to occupancy for a permitted use.

CITY ATTORNEY WAGNER: For the permitted use.

COMMISSIONER COX: For the permitted use. That will handle it.

CITY ATTORNEY WAGNER: May I ask for clarification? Condition #1, we had some discussion about whether tenant improvements was going to be changed to interior alterations.

COMMISSIONER COX: I think we agreed on interior alterations.

CITY ATTORNEY WAGNER: Do you guys want one more reiteration, or have you had enough?

COMMISSIONER COX: I think we're on the same page. You'll have the minutes if you have any questions, but I think we're on the same page.

CITY ATTORNEY WAGNER: The Applicant has a question. Can you come to the mike, please? Thanks.

RICHARD BERLING: Richard Berling again. Just a little bit more clarification on the interior alterations. What does that exactly mean?

CITY ATTORNEY WAGNER: That you have to come in and pull a building permit to do anything to the upstairs of the property. You can't do it until you go through Design Review.

RICHARD BERLING: Even a closet or a sink?

CITY ATTORNEY WAGNER: That's my understanding of the direction.

RICHARD BERLING: Even a sink or an electrical outlet?

COMMISSIONER COX: There are already sinks and electrical outlets up there.

RICHARD BERLING: Well, but I mean there are alterations that have no effect on typical Design Review issues, so it might be a bit punitive to the owner.

COMMISSIONER COX: My concern in approving this for office use was that there would be some use that would proceed without Design Review. I was assured by the Applicant that no use can occur up there absent ADA compliance, absent fixing dilapidated exterior and windows, and all of those require Design Review. We have crafted our conditions to be consistent with the Applicant's representation to us.

CHRIS HENRY: And that's fine.

CHAIR KELLER: Are we ready? Okay, so I move to approve a Conditional Use Permit to allow an office conversion of the second level of the structure at 660

Bridgeway, which will also include Conditions of Approval as amended by

Commissioners and Staff. Do I have a second?

COMMISSIONER COX: Second.

CHAIR KELLER: Want to take the role, Jeremy?

COMMUNITY DEV. DIR. GRAVES: Commissioner Keegan?

COMMISSIONER KEEGIN: Aye.

COMMUNITY DEV. DIR. GRAVES: Commissioner Cox?

COMMISSIONER COX: Aye.

COMMUNITY DEV. DIR. GRAVES: Vice-Chair Bair?

VICE-CHAIR BAIR: No.

COMMUNITY DEV. DIR. GRAVES: Chair Keller?

CHAIR KELLER: Yes.

COMMUNITY DEV. DIR. GRAVES: Approved three-one.

CHAIR KELLER: Thank you.

APPROVED 6-7-67

SAUSALITO PLANNING COMMISSION MINUTES OF REGULAR MEETING May 3, 1967

The regular meeting of the Sausalito Planning Commission was called to order by Chairman Bonapart at 8:15 P.M. on May 3, 1967, in the Council Chambers of the City Hall.

PRESENT: Boutmy, Hoffman, Nissen, Smith, Starbird, Thomson, Chairman Bonapart

ABSENT:

MINUTES

T: Keizer, Murdoch The minutes of the meeting of April 20, 1967, were unan-

imously approved as submitted.

PARK Chairman Bonapart acknowledged receipt of a Memorandum

DEDICATION from Reverend Moher inviting commission members to the dedication of Langendorf Park at 11:00 A.M. on May 20th.

Chairman Bonapart stated that the City Council, at their meeting of May 2, 1967, had asked for the return to the Planning Commission of the report on the determination of use as dog grooming business of the property at 1915 Bridgeway. This request had been made because of the decision by the City Attorney that a 4-2 vote did not constitute approval, as there were a total of nine voting members on the Commission. Commission questioned this determination in regard to the required vote, and put over until later in the meeting any further discussion on the subject.

CUP 364 Trident (Purity)

Chairman Bonapart reopened the public hearing on Conditional Use Permit Application #364 by Peter Wells for Trident Productions in order to remodel and make commercial use of the Purity Store building. Mr. Nissen reviewed the past events in regard to the application, stating that it had first been an application for a variance from the parking requirements, that this had been denied by the Commission and then appealed to the City Council, by which time the application became subject to the requirements of Ordinance 669. Mr. Nissen reviewed Ord-inance 669 and the basis for denial, and read the report which had been submitted by Mr. Mader dated April 3, 1967, in which he felt the proposed use was in conformance with the proposed Central Waterfront Area plan. Mr. Nissen added that he felt the Commission should consider the points made by Mr. Mader, however, as stated in his report. Mr. Nissen said there was no reason to deny the application except that the plan showed no off street parking, and that if approval were given, it could be conditioned by requiring the providing of parking, and that to not do this would be prejudging the use. Chairman Bonapart questioned Mr. Nissen on his interpretation of Ordinance 669 and whether or not the Commission would have to grant something, and Mr. Nissen said that this was the case. Chairman Bonapart added that the use did not actually conflict. Mr. Nissen again raised the question of approval of the conditional use permit not being considered as the granting of a variance. Mr. Wells pointed out that it was implicit in the application that parking was not going to be provided, and that any parking required would be based on the intensity of use, and that the Commission knew what the applicant intended to do. In addition, he said, the whole parking problem has to be faced. Mr. Robert Hayes, from the audience, stated that the parking was a complex problem, that the basic concept should be approved, and that the parking had to be solved in some manner. He said the Commission should take a positive stand. Chairman Bonapart said that these were fine sentiments, but that until such time as additional tools had been worked out in regard to parking, he was opposed to any variance granted on the basis that other

means of complying with the Zoning Ordinance are available. Mr. Heine, architect for the applicant, questioned how an applicant could be required to wait for the two or three years required for the solution on parking to be reached, that the downtown area was primarily pedestrian, and that the City could decide this or Alachment 7 121

try to ram the cars into the downtown area. There were a number of questions that had to be answered, and that the City had to start somewhere, and that at present there was the Trident application as well as the Gate Theater application before the City. Progress should be allowed. Chairman Bonapart pointed out that progress was being made, but Mr. Wells asked what the applicant should be. Mr. Boutmy suggested that financial studies be made as to what would happen to the downtown area in the event the parking were to be removed, that such removal could kill the entire downtown area. Mr. Wells said they were assuming that no parking would be required for success, and that in his estimation, the only problem facing the Commission was the section of the ordinance which said that granting approval would not be granting a favor to a particular prop-

erty owner. Chairman Bonapart closed the public hearing. Mr. Starbird moved, seconded by Mr. Thomson, that the Conditional Use Permit should be approved as presented. Mr. Nissen asked if Mr. Starbird were not going to make any conditions, and Mr. Starbird replied that there would be none whatsoever. Mr. Nissen said the Commission would be negligent in their actions, as Mr. Mader had given conditions to be applied. After discussion, they agreed that all of the conditions suggested by Mr. Mader would be automatically taken care of. Mr. Thomson said that the time had come to take a stand, and that the City could not stop all development because of the parking. Mr. Hoffman said that denial would not prevent any use, that the owners could continue to use the property. Chairman Bonapart said that until the City had a mechanism for providing parking, they were weakening the effectiveness of the Central Waterfront Plan, and that there should be interim devices, such as the in-lieu payments which the Commission had proposed to the City Council. Mr. Starbird felt the Commission would be abdicating their responsibility if they did not approve the application, that the City would be getting rid of an eyesore and also getting a park and removing the parking from the site. Chairman Bonapart said he would feel better if he saw any indication by the applicant that an attempt wasbeing made to fill the gap. Mr. Wells reminded him that they had virtually agreed to join in a parking district but Mr. Nissen said this verbal agreement was not binding, and that too the property could be sold and any new owner might not agree with this. Mr. Starbird suggested making such an agreement run with the land, but Chairman Bonapart said this was not legally possible. Voting on the motion as

made by Mr. Starbird, Hoffman, Smith, Starbird, Thomson Nissen, Chairman Bonapart AYES:

NOES:

ABSTAIN: Boutmy

Keizer, Murdoch ABSENT:

As this motion failed, Mr. Boutmy moved seconded by Mr. Starbird, by Resolution 1967-16, that the Conditional Use Permit be approved for the plan as submitted with the condition that at such time asparking became available, the applicant act to provide the amount of parking required for the application by Ordinance 630;

AYES: Boutmy, Hoffman, Smith, Starbird, Thomson

NOES: Nissen, Chairman Bonapart

ABSENT: Keizer, Murdoch

RESOLUTION 1967-16

RESOLUTION 1967-16

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAUSALITO GRAHTING APPROVAL TO PETER WELLS FOR TRIDENT PRODUCTIONS FOR CONDITIONAL USE PERMIT #364

WHEREAS, a verified application for a Conditional Use Permit for a change in use in the CC Zone has been made to the Planning Commission, and

WHEREAS, said application was set for public hearing before the Planning Commission in the City Hall in the City of Sausalito, State of California, at 8:00 P.M. on $A\frac{1}{2}$ ril 5 and continued to May 3, 1967, and

WHEREAS, said hearing was held at the above time and place and evidence both oral and documentary was taken and introduced; NOW, THEREFORE, IT IS HEREBY FOUND AND DETERMINED by the Planning Commission that the establishment, maintenance and or conduct of the use for which the permit is sought would under the circumstances of the particular case, assure that the

degree of compatibility required by Ordinance 630 and 669 would bemaintained with respect for the particular use on the particular site and in consideration of other existing and potential uses within the general area in which such use is proposed to be located.

to be located.

CUP

365

for

Macannan

Ondine-Trident BE IT FURTHER RESOLVED by the Planning Commission that Conditional Use Permit #364 be approved by the findings as required by Ordinance 669 and is not in conflict with the Central Waterfront Plan, and that the permit be approved for the plan as submitted with the condition that at such timeas parking became available, the applicant act to provide the amount of parking as required for the application by Ordinance 630.

PASSED AND ADOPTED by the Planning Commission at its regular meeting of May 3, 1967, by the following vote:

AYES: Boutmy, Hoffman, Smith, Starbird, Thomson

MOES: Nissen; Chairman Bonapart

ABSENT: Keizer, Murdoch

Alan D. Bonapart
Chairman
SAUSALITO PLANNING COMMISSION

Chairman Bonapart opened the public hearing on the Conditional Use Permit Application #365 by Ronald Macannan for the use as restaurant of property in the OA Zone, at 558 Bridgeway, which is presently occupied by the Trident and Ondine Restaurants. Mr. Hoffman reported for the Committee, stating that this was a routine application required by the non-conformity of the use which was created with the adoption of Ordinance 630. Mr. Hoffman reviewed the Memorandum from the Building Inspector dated April 24, 1967, in which he had commented on a small L-shaped building which had been constructed without benefit of permits or CAAB approval. Mr. Macannan admitted that they had "goofed", that they had originally constructed a roof for protection only, and that then the area had been closed in. Mr. Hoffman suggested that approval be conditioned on requiring that the use be limited to the area of the present structure as outlined on the drawings submitted and that the requirement of the Building Inspector be met in regard to approval of the small L-shaped structure, and that the entire areabe subject to CAAB review and approval. Chairman Bonapart said the CAAB should be given the right to approval of all signs. Mr. Macannan pointed

On motion of Mr. Hoffman seconded by Mr. Boutmy, by Resolution 1967-17, Conditional Use Permit #365 by Ronald Macannan was approved subject to certain conditions. 'AYES: Boutmy, Hoffman, Nissen, Smith, Starbird, Thomson,

out that some of the signs were in existence prior to the adoption of Ordinance 630, and that since that time, any addition 1 signs have received approval. Chairman Bonapart closed the

Chairman Bonapart

NOES: None Keizer Murdoch

ABSENT: Keizer, Murdoch
RESOLUTION 1967-17 RESOLUT

public hearing.

RESOLUTION 1967-17 RESOLUTION 1967-1/
RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
SAUSALITO GRANTING APPROVAL TO RONALD R. MACANNAN, JR.
FOR COMDITION/L USE PERMIT APPLICATION #365

WHEREAS, a verified application for a Conditional Use Permit for a restaurant in the OA zone has been made to the

5/3/6

pro-

MEETING OF MAY 16, 1967 (Cont'd.)

even if the roadway were not the full 18 feet. Mr. Wohlschlaeger said the road should be improved to city standards. Councilman Chapin said that if the property owners did not were form an assessment district and improve the street, and were allowed to create a substandard roadway, then other property owners in other areas, such as Sausalito Boulevard, would want to do the same thing. Councilman Dyk cited Locust Road, and Mr. Wohlschlaeger said this work had already been started, and that an encroachment permit had been given is order that the work could be completed. This, however, was a dead end, one block long st. Councilman Dyk expressed sympathy for the property owners, but had concern over the traffic which the street would carry, and asked when the connection with Marin Avenue would be completed. Mr. Wohlschlaeger said in three to four months. Mr. Sevick pointed out that this would create an even worse traffic hazard. Councilman Dunphy explained a similar situation which existed fronting his property which extends from Filbert to Cazneau Avenue.

On motion of Councilman Chapin seconded by Councilman Dunphy, the request by the property owners to surface a portion of Woodward Avenue was denied.

AYES: Councilmen:

men: Chapin, Dunphy, Dyk, Imlay and Mayor Wax

NOES: Councilmen: None

BID AWARD JOHNSON-CALEDONIA STORM DRAIN CALEDONIA RESURFACING On motion of Mayor Wax seconded by Councilman Dumphy, the Johnson-Caledonia Stort Drain Improvements and Resurfacing of Caledonia Street bid was awarded to the W.K. McLelle. Company with the low bid of \$13,363.91.

AYES:

Councilmen:

Chapin, Dumphy, Dyk, Imlay and Mayor Wax

NOES:

Councilmen: None

P.C.REPORTS C.U.P.#364 WELLS FOR TRIDE!T PRODUCTIONS

Mayor Wax read the Official Report from the Planning Commission on Conditional Permit Application #364 by Peter Wells for Trident Productions under Ordinance 669 for a change in use of the Purity Store Building at 650 Bridgeway. The application showed remote and conversion of the building to use as four small shops on the ground level and one small and one large shop on the mezzanine floor to be created. The existing parking lot area wi shown as park area with some outdoor seating for a restaurant proposed as part of the ples-The Council discussed a revised plan submitted by Mr. Wells which indicated how the area look when remodeling had been completed. Councilman Dyk questioned the use by the applics of city owned property, because of an existing encroachment, and also that no parking wonprovided. Councilman Chapin asked what portion of the proposed park area would be public what would be private. On questioning, Mr. Wells stated that the CAAB had given approval the basic concept and that possible changes suggested by them were incorporated in the driv which he presented. Mayor Wax set June 6, 1967, as the date for a public hearing before City Council on the application. Councilman Dumphy questioned the condition placed on the approval by the Planning Commission, and the City Attorney indicated he had submitted a r to the City Manager on this condition.

Mayor Wax read the On Use Permit Application #365 by OA District Regulations, Cond: 558 Bridgeway. One of the compliance with any conditions on not as yet been submitted by the hearing before the City Counc.

Mayor Wax read an of: tion #203 by Leslie A. Baronic 630, Section 200, Basic Requir to exceed the bulk regulations Unanimous approval had been gifurther action, approving the

Mayor Wax read an Of: reaffirming their decision on 1915 Bridgeway. City Manager approval of the use, had impos use can not be so conditioned, of the proposed use. The City conditions.

A public hearing on ϵ Planning Commission was set for

The City Manager reports at at this location in the past, who held the license, had not application was from the purch the license. Mr. Patterson poperin which the City feels is suggested that the City Council Mayor Wax seconded by Councils sale beer license not be issue

City Manager George I
Park to be held at 11:00 A.M.
Present, but that Mayor Pro-Te

mairman of the Library Board of ; of an election date for the sday, September 19th would be ichool has started. Mayor War the City Manager advises it build the library without an iding certain amounts for the lews to the voters if the Council tethod. Councilman Imlay inod and the City Attorney reie non-profit corporation meth: mesolution previously adopted y broad to allow the use of. scil authority to proceed in a rdan said that informing the t forth their proposal in the ing should be made clear so ever is that the reason we can: e and cost of the library which

y in favor of the 25 year peric: ure residents who live in Sausa. he cost.

uncilman Dyk Ordinance No. 677

yor Wax

the ordinance- "An Ordinance alito for the Purpose of Subher There Shall be Adopted by Which Declared the Intent of tion of a New Public Library t; il Water Front Site Proposed in on March 7, 1967; Fixing the stablishing Election Precincts licers Therefor and Providing

Councilman Dyk introduced Ordinance No. 678 An Ordinance of the City of Sausalito Providing for the Payment of Salary to Members of the City Council and read OF SALARY TO CITY the ordinance in full.

PROVIDING FAYMENT COUNCIL INTRODUCED HEARTNG

CON.U.P. #364

PURITY FOR

FETER WELLS FOR RIDERT PRODUCT

ORD. 678

Mayor Wax opened discussion on the hearing on the Conditional Use Permit Application #364 by Peter Wells for Trident Productions (Purity Store). The Counci received the Planning Commission Official Report of May 10, 1967 approving the Condi idnal Use Permit with certain conditions and with attached Memorandum from the City Attorney dated May 16, 1967 and Memorandum from the CAAB dated June 1, 1967.

City Manager Patterson explained that the Conditional Use Permit was approved by the Planning Commission and the only problem involved was not the way the C.U.P. was granted but the statement on the parking in which it was said it was granted with the condition that at such time as parking became available the applicant would have to provide the amount of parking as required by the application of Ordinance 630. He said it was his understanding that the City Attorney does not feel this is possible and he has written as to how this can be handled by an agreement between the City and the Trident people so that they place with the City a deposit of money based on an estimated cost of providing the necessary parking spaces should the Council not be willing to grant the C.U.P. without providing parking. This is a determination that involves the parking versus uses of the open space. It is possible, he said, under agreement to establish this if it is decided that the Council are not willing to waive the parking in view of the open space in the park area.

Mr. Patterson said this plan, submitted and noted as "Exhibit A" was also given preliminary approval by the CAAB with the idea if the Cond. Use Permit is permitted then the final working drawings would be submitted to the CAAB. In other words they approved in concept the design and plan as submitted to the P.C. but they want final review of the working drawings.

Mr. Peter Wells addressed the Council explaining the drawings and said this is the plan as presented and approved by the Planning Commission. He called attention to the setback from the sidewalk and explained the uses on the main floor and the mezzanine. He said on the main floor would be a restaurant and four shops, handcraft, ice cream, shoes and gold and silver shop. On the mezzanine a total of three shops, a dress shop, leather shop and pottery and ceramics shop. He demonstrated on the sketches a two way staircase in the middle and an outside deck which is not intended for any commercial purpose and will be used mainly to break up the line of the building. He said that at the time the Bridgeway widening is completed and a permanent railing installed there would be an "in-railing" seat around the seawall. He showed the location of a 25' x 10' loading zone area for unloading merchandise for the stores. Mr. Wells said they feel the location of the property is used best without cars. One of the major problems would have to do with the parking as it would be almost impossible to satisfactorily control the traffic of cars in and out of the lot. There would be six tables outside.

Mayor Wax asked how many parking spaces are required for the proposed uses $\epsilon_{t,\epsilon}$. Mr. Wells said a total of 24. Mr. Wohlschlaeger said it was 24 plus the 12 already $t_{t,\epsilon}$, but Mr. Wells said the 24 included that 12.

Councilwoman Chapin asked Mr. Wells how many seats or tables would be inside the building and Mr. Wells answered that there would be a total of 40 seats inside and outside the restaurant.

Mr. Rudy addressed the Council apeaking concerning the problem of the parking requirements. He said because of the way the ordinance now reads it would require 24 spaces for this particular parcel and that while they want to cooperate as much as possible, to have to put up and leave on deposit for some indefinite period of time. 24 times what might be the cost of creating a single parking space seems prohibitive. ; said they have suggested, and they realize that there is some legal problems involved. that ultimately the solution to the parking problem would be the creation of a parking district with assessment on the property owners who participate in that parking district, He said there are fairly well established procedures with judgement given by qualified appraisers and engineers, if a parking lot is established and is to serve a certain area for spreading the cost according to the use and benefit each would receive. He said the do not know what amount would have to be put up at this time, not knowing where such a parking area would be. Mr. Rudy said further, they do not believe they should be asked to put up 24 times \$2500 or \$3000 to await the working out of a parking plan. He said that they could in good faith put up, say, \$10,000, and make it clear that they were taking the Conditional Use Permit on the condition that they would bear their fair share in the future district.

Councilman Imlay said as he understands it, any committment on a present owner would not be binding on subsequent owners. Maybe if they were prepared to make it a lie on the property it could be done.

Councilman Dumphy asked about the pottery-ceramic shop and leather shop on the second floor, if they would be doing any manufacturing on the premises and he was answer that they would both be retail shops, only. Councilman Imlay said there had been recent discussion concerning some exchange of property with the City. Mr. Wells said this had been temporarily stayed pending action on this application but this doesn't preclude further negotiation.

Councilman Dyk, referring to the sketch, inquired as to exactly what part of the open area would be used by the public- as they would a park. Mr. Wells said essentithis is not a public park but is just retained as an open area. Mr. Heine spoke briefing to the open area at the Crown Zellerbach building in S.F. which is privately owned but useable by the public. Councilman Imlay questioned the use of 6 outside tatificating if there would be any restriction on future increase to, say, 60 tables. The applicants said they accept the limitation of 6 tables. The City Manager was doubtful to the number of parking spaces in relation to the amount of seating in the restaurant.

The City Attorney sate certain, conditioning the perm future with different owners of possible the policing of the unthe cost of a parking structurif the final amount is less the Rudy said that normally payment believe they should be required reasonable distance and make as

The Council discusse mezzanine and eight stores whe tables; the tourist oriented u the 5700 square feet requiring which would be closer to 33 sp woman Chapin said that Mr. Rud some arrangement and she think force home-oriented businesses plan is a good plan but we have Mayor Wax said that the Counci there is no reason why the same of expanding to three shops on ground floor. The City Manage and was answered that there is Councilwoman Chapin said she i solved and no outside restaura use this is an economic factor is no greater than one large :

Mayor Wax suggested the parking details with City view the plans to reduce the

Mayor Wax announced
MacAnnan he would continue the
Ronald MacAnnan at 558 Bridge

The Council took no of screen for compressor at B

The Council continu by Wedell Group for building Street to Tuesday, July 11th. lont '1.)

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concerning the problem of the parking inance now reads it would require 24 they want to cooperate as much as for some indefinite period of time, gle parking space seems prohibitive. 3. here is some legal problems involved. em would be the creation of a parking ho participate in that parking district. res with judgement given by qualified ablished and is to serve a certain are enefit each would receive. He said the t this time, not knowing where such a ey do not believe they should be asked rking out of a parking plan. He said O, and make it clear that they were n that they would bear their fair

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The City Attorney said with the ultimate solution on downtown parking uncertain, conditioning the permit is all fine and good but we may be dealing in the future with different owners of eight active businesses and we should reduce as far as possible the policing of the uses. The City should arrive at some rough estimate of the cost of a parking structure or lot and then get from the applicants this amount, and, if the final amount is less then refund and if more then collect the difference. Mr. Rudy said that normally payments would be made over a period of time and he does not believe they should be required to pay a lump sum now. They are willing to go some reasonable distance and make some cash deposit or lien arrangement.

The Council discussed the various aspects of the proposal. The adding of a mezzanine and eight stores where only one existed before; the use of the open space by tables; the tourist oriented uses. The City Manager spoke of the parking requirements, the 5700 square feet requiring 23 spaces and the restaurant 10 for 40 seats, all of which would be closer to 33 spaces or more than the 24 mentioned previously. Councilwoman Chapin said that Mr. Rudy feels certain that he and the City Attorney can work out some arrangement and she thinks this has to be done first. She asked how can the City force home-oriented businesses? Councilwoman Chapin said that generally speaking the plan is a good plan but we have to face the fact that we have to have a parking district. Mayor Wax said that the Council asked Mrs. Mordant to cut down on the density of use and there is no reason why the same request couldn't be made here. He suggested that instead of expanding to three shops on the mezzanine they should be satisfied with what is on the ground floor. The City Manager inquired if any planting is proposed for the outdoor area and was answered that there is a proposed planting plan to be submitted to the CAAB. Councilwoman Chapin said she felt she could live with it if the parking problem is solved and no outside restaurant use. Mr. Rudy said that in reference to the intensive use this is an economic factor and the amount of activity generated by the several shops is no greater than one large shop selling many items.

Mayor Wax suggested the matter be held on calendar subject to the working out of the parking details with City Attorney Jordan and also suggested the applicants might review the plans to reduce the density.

Mayor Wax announced that due to the late hour and with the permission of Mr. COND. U.P. 365 CONT'D.

MacAnnan he would continue the hearing on Conditional Use Permit Application #365 by

Ronald MacAnnan at 558 Bridgeway, to the next meeting on June 13th.

The Council took no action on the Report from the CAAB Re: Application for approval of screen for compressor at Bridgeway and Easterby Shopping Center.

The Council continued the matter of the Report from the CAAB on the ApplicationCAAB REPORT ON WEDELL by Wedell Group for building on northeasterly side of Bridgeway, between Tests and Nevada GROUP ATPL. COUNTY D.

Street to Tuesday, July 11th.

Exhibit deid

AGREEMENT

THIS AGREEMENT is made this 13th day of March

1968, by and between the CITY OF SAUSALITO, a municipal corporation, (hereinafter referred to as "City"), and TRIDENT

PRODUCTIONS, INC., a corporation, (hereinafter referred to as "Trident"), and is based upon the following facts:

- (a) Trident is the owner of a parcel of real property which fronts upon Bridgeway Boulevard in the City of Sausalito and is commonly known and referred to as Marin County Assessor's parcel No. 65-133-20.
- (b) Trident has applied to City for a conditional use permit (designated "Conditional Use Permit Application No. 364") to allow the establishment of certain uses upon the property.
- (c) Pursuant to the provisions of City's zoning ordinance as amended (Sausalito Ordinance No. 630), Trident' is required to provide thirty-one (31) off-street parking spaces for the uses proposed in the Conditional Use Permit Application. However, Section 210.3 of Ordinance No. 630 authorizes the owner of property to make payments to City in lieu of providing such off-street parking spaces or, as a further alternative, and at the option of the property owner, to dedicate land to the City to be used for public park or other specified purposes.
- (d) Trident, in order to satisfy the off-street parking requirements of City, has offered to dedicate to City for certain limited uses the real property more particularly described in Exhibit "A", attached hereto and incorporated herein by reference. Trident has also offered

Attachment 8 500 (10 pages) 129

to dedicate said lands to City on consideration of the lease to Trident by City of the property more particularly described in Exhibit "B", attached hereto and incorporated herein by reference. Said properties are also delineated on the map marked Exhibit "D", attached hereto and incorporated herein by reference.

- (e) It is the mutual desire of the City and Trident to eliminate an apparent cloud on Trident's title to a strip of property lying immediately adjacent to the easterly boundary of the lands of Trident, such strip of property being more particularly described in Exhibit "C" attached hereto. City proposes to quitclaim said strip to Trident.
- (f) As partial consideration for the dedication to it of the property described in Exhibit "A", City proposes to lease to Trident the real property described in Exhibit "B" pursuant to the provisions of California Statutes of 1957, Chapter 791, and to quitclaim to Trident the real property described in Exhibit "C".

The parties, therefore, agree as follows:

- 1. The number of off-street parking spaces required to be provided under the provisions of Sausalito Ordinance No. 630 for the uses proposed by Trident in Conditional Use Permit Application No. 364 is thirty-one (31). Immediately, upon execution of this agreement, Trident, by appropriate document, shall dedicate and convey to City free and clear of all encumbrances of whatsoever nature, all that certain real property more particularly described in Exhibit "A", attached hereto.
- 2. City acknowledges that the dedication and conveyance to it of the property described in Exhibit "A" shall constitute a discharge and satisfaction of Trident's obligation under Sausalito Ordinance No. 630 to provide thirty-one (31)

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off-street parking spaces for the uses proposed in Conditional Use Permit Application No. 364. Provided, however, that in the event Trident or any successor owner shall alter the uses to be made of the property of Trident so as to increase the off-street parking requirements under the then existing City zoning regulations, then Trident or such successor owner shall satisfy such increased off-street parking requirements.

- assessment district which includes the property of Trident for the purpose of developing off-street parking facilities, then City agrees that in spreading the assessment in any such parking district, the property of Trident shall be given equal treatment with each and every other property within said district which has satisfied the off-street parking requirements of Ordinance No. 630.
- 4. City agrees that within a period of twelve (12) months after completion of Phase I of its Bridgeway Widening Project, it will improve as a public park the property described in Exhibit "A" to be conveyed to it by Trident. City shall have sole discretion in determining the nature and extent of such improvement.
- 5. It is agreed that the deed by which Trident shall convey to City the property described in Exhibit "A" shall contain restrictions' which shall be established as covenants running with the land and enforceable by Trident or its successor in interest to the adjacent property which shall provide as follows:
- (a) That City shall permit pedestrian access to the property from Bridgeway Boulevard and shall also permit pedestrian access to said property from adjacent parcel retained by Trident.
 - (b) City shall maintain a public park on said

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property in accordance with standards which are customary to the maintenance of a park area of similar size in comparable communities.

(c) City shall not permit the sale or the giving away of food or beverage products or products of any other kind on said property, except that City may permit the serving of courtesy beverages on the occasion of any civic function.

said deed shall further provide that damages for the violation of the foregoing restrictions would be difficult or impossible to ascertain, and the party entitled to enforce said restrictions shall be entitled to seek enforcement thereof by injunction or, in the alternative, by establishing a reversion of the title thereof if the violation of any of said restrictions shall continue after the party entitled to enforce the same shall have given to City thirty (30) days' written notice of the existence of such violation.

- 6. Trident agrees on behalf of itself and on behalf of any successor owners of the property of Trident, that upon the request of City, it will construct an access walkway not less than six (6) feet nor more than ten (10) feet in width (as determined by City) on the water side of the building shown on Conditional Use Permit Application No. 364 to permit access from the City park area to the adjacent property lying northeasterly of the Trident property.
- 7. City agrees to lease, and, by this contract, does hereby lease to Trident for a period of fifty (50) years from the date of the execution hereof, that certain real property more particularly described in Exhibit "B" attached hereto.

 In consideration of such lease, Trident agrees to pay to City the sum of One Dollar (\$1.00) and to comply with each and every other condition contained herein applicable to said leased area. At the end of the initial fifty (50) year term of said lease,

Trident or its successor may apply to City for an extension of the lease for an additional term of fifty (50) years and for a rental of One Dollar (\$1.00). City need not grant such extension, but if it shall fail to grant the same, City shall either: (a) Pay to Trident or its successor the fair market value of such a fifty (50) year leasehold interest in the property. described in Exhibit "B", or (b) reconvey to Trident or its successor a portion of the property described in Exhibit "A" which shall be of a uniform width lying adjacent to the southerly line of the remaining lands of Trident and shall have a fair market value equal to the value of such a fifty (50) year leasehold interest in the property described in Exhibit "B". Fair market value shall be determined by a qualified appraiser jointly selected by the parties hereto, and if they cannot agree on the selection of such an appraiser, then by an appraisal board consisting of an appraiser selected by each party and a third appraiser selected by the first two so appointed.

- 8. If any of the improvements presently located on or hereafter constructed on the leased area are destroyed or rendered untenantable by fire, flood elements or any other cause whatsoever, City shall have no obligation to restore or rebuild the same but Trident may do so at Trident's own expense; provided, however, that should the walkway referred to in paragraph 6 hereof be damaged or destroyed by any cause whatever, Trident shall repair or replace the same. It is understood and agreed that the proceeds of any insurance policy maintained by Trident for such purpose may be utilized for such restoration and reconstruction whether or not City shall be named as an additional insured thereon.
- 9. Trident shall pay all taxes and assessments levied against any improvements located on the leased premises and shall pay all taxes and assessments levied against any possessor interest of Trident in said property.

- other person for injury to persons or to property arising from any cause by reason of Trident's use or occupancy of the leased premises and Trident shall hold City harmless against all such liability. Trident shall further cause to be secured and maintained public liability and property damage insurance within limits identical to those provided in City's general public liability and property damage insurance which policy shall name City as additional insured. Trident shall provide City with certificates of insurance evidencing the coverage provided for herein and agreeing to give City thirty (30) days' written notice prior to any cancellation of such coverage.
- 11. The leased premises, and any structures constructed thereon, shall be used only for such purposes as are consistent with the public trust upon which said land is held by City and as are consistent with the requirements of commerce and navigation. The use of said lands by Trident shall be subject to the reservations and conditions set forth in the conveyance of said land to City contained in Chapter 791, California Statutes of 1957.
- part provided that such assignee, and any subsequent assignee, shall have the rights, privileges and obligations of his assignor. Trident shall have the right to sublet the lands, or any part thereof, provided that any sublessee shall be subject to the obligations herein assumed by Trident.
- 13. In the event that Trident or any successor, shall default in the performance of any obligation hereunder, and such default shall continue after City shall have given to Trident, or any successor, thirty (30) days written notice of the existence of such violation, City, in addition to any other remedy available to it, may declare a termination of the lease hereunder and recoverpossession of the leased premises.

- in fee of an uncommbered title to the property described in Exhibit "A" hereto. This agreement is entered into in reliance upon such representation and in the event it is determined that Trident is not the owner of the unencumbered fee title to said real property and is for that reason unable to convey said property to City free and clear of any and all encumbrances whatsoever, then this agreement and all of the obligations of the parties hereunder shall be deemed null and void and unenforceable from the beginning.
- 15. Trident agrees that upon request of City it will immediately remove the metal shed presently located at the southeast corner of the existing building on the premises.
- 16. Trident agrees that the small, triangular areas to be leased to Trident hereunder which are designated as Parcels A and B on the map attached hereto shall be used for no other purpose than the construction and maintenance of the walkway referred to in Paragraph 6 hereof.
- 17. This agreement shall be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CITY OF SAUSALITO

By Julin & Map

ATTEST:

CITY CLERK

TRIDENT PRODUCTIONS. INC.

Dre

Statung Mandy Socky

35

That certain parcel of land situated in the City of Sausalito, County of Marin, State of California, more particularly described as follows:

Beginning at the survey point 5, as shown on the horizontal control monument location map, City of Sausalito, having California Coordinate System Zone III coordinates of North 499,411.45 and East 1,429,008.62; thence S 01°11'15" W, 25.87 feet; thence Easterly S 88°48'45" E, 4.38 feet to the Easterly line of Bridgeway and the true point of beginning; Thence continuing S 88°48'45" E, 30.493 feet to the "line of nine feet water at the lowest stage of the tide" as said line was established by the Board of Tide Land Commissioners in the year 1870 and shown upon Map of Salt Marsh and Tidelands No. 1; Thence Northerly along said line N 01°10'17" E, 42.515 feet to Station ll of State Lands Commission Survey: Thence continuing along said line N 27°41'17" E, 28.797 feet; thence Westerly S 88°23'00" W, 52.827 feet to a nail and tag No. L.S.2897 on Easterly line of Bridgeway; thence Southerly along said line S 23°18'45" E, 22.75 feet to a nail and tag No.L.S.2897; thence continuing Southerly S 01°11'15" W, 45.00 feet to the true point of beginning.

All courses and distance herein being on the California

Coordinate System Zone III grid and shown upon the "Record of

Survey of a Portion of Lots 97-98-99 and Area Northerly thereof,

as shown on Map of Subdivision of Blocks 1-2-A and B from Section

Map "C" of Sausalito Land and Ferry Company, Sausalito, California",

recorded in Book 7 of Surveys at page 15

December 13 , 1967.

That certain larcel of land situated in the City of Sausalito, County of Marin, State of California, more particularly described as follows:

Beginning at Survey point 5, as shown on the Horizontal Control Monument Location Map, City of Sausalito, having California Plane Coordinate System Zone III coordinates of North 499,411.45 and East 1,429,008.62; thence S 01°11'15" W, 25.87 feet; thence Easterly S 88°48'45" E, 4.38 feet to the Easterly line of Bridgeway; thence Northerly along said line N 01°11'15" E, 45.00 feet to nail and tag No.L.S.2897; thence N 23°18'45" W, 22.75 feet to nail and tag No.L.S.2897; thence leaving said east line of Bridgeway N 88° 23'00" E, 73.51 feet to nail and tag No.L.S. 2897 the true point of beginning; thence N 37°35'00" E 12.78 feet; thence N 07°20'00" E, 47.329 feet; thence Southerly S 27°41'15" W, 73.984 feet; thence Easterly N 88°23'00" E, 16.359 feet to the true point of beginning.

All courses and distances herein belong on the California

Coordinate System Zone III grid and shown upon the "Record of

Survey of a Portion of Lots 97-98-99 and Area Northerly thereof,

as shown on Map of Subdivision of Blocks 1-2-A & B from Section

Map "C" of Sausalito Land and Ferry Company", Sausalito, California,

recorded in Book 7 of Surveys at page 15 ,

December 13, 1967.

That certain parcel of land situated in the City of Sausalito, County of Marin, State of California, more particularly described as follows:

Beginning at Survey Point 5, as shown on the Horizontal Control Monument Location Map, City of Sausalito, having California Plane Coordinate System Zone III coordinates of North 499,411.45 and East 1,429,008.62; thence S 01°11'15" W, 25.87 feet; thence Easterly S 88°48'45" E, 4.38 feet to the Easterly line of Bridgeway; thence Northerly along said line N 01°11'15" E, 45.00 feet to nail and tag No. L.S. 2897; thence N 23°18'45" W, 22.75 feet to nail and tag No.L.S.2897; thence leaving said East line of Bridgeway N 88°23'00" E,52.827 feet to the "line of nine feet water at the lowest stage of the tide" as said line was established by the Board of Tide Land Commissioners in the year 1870 and shown upon the Map of Salt Marsh and Tidelands No. 1, being the true point of beginning; thence continuing N 88°23'00" E, 4.324 feet; thence Northerly N 27°41'15" E, 73.984 feet; thence Westerly S 88°48'00" W, 4.331 feet; thence Southerly S 27°40'17" W, 74.008 feet to the true point of beginning.

All courses and distances herein being on the California Coordinate System Zone III grid and shown upon the "Record of Survey of a portion of Lots 97-98-99 and Area Northerly thereof, as shown on Map of Subdivision of Blocks 1-2-A & B from Section Map "C" of Sausalito Land and Ferry Company, Sausalito, California", recorded in Book 7 of Surveys at page 15 ,

December 13 , 1967.

CITY of SAUSALITO CALIFORNIA



MEMORANDUM

Date:

March 30, 1972

TO:

Planning Commission

FROM:

Planning Director

SUBJECT:

Variance Application #314 - Robert Cranston

Background:

The premises for which variance is being requested will long be remembered as (and still is) referred to as the Purity Store. Several years ago, this store was proposed for conversion from a grocery store to a retail arcade on the ground floor with a restaurant to be located on a second floor to be constructed within the building. In order to accomodate the proposed intensification of use, it was necessary to provide additional off-street parking. Lengthy negotiations surrounded the proposal, and ultimately agreement was reached as follows: An in lieu system was developed wherein a dollar value was placed on an individual off-street space. The value of the total additional parking necessary was then applied against the market's former parking lot land area. Summarily, the land area was granted to the City to permit the development of a park (now Princess Park).

The consumation of the agreement authorized the intensification and conversion of use, albeit limited to six (6) retail shops on the ground floor and a restaurant containing a maximum of 60 seats. The conversion was accomplished and leases executed. Mr. Cranston was amongst the first tenants, and his restaurant operation commenced.

Attachment 9 (3 pages) 5A Since that time, routine inspections of the premises have been made by the City staff, and on several occasions the applicant has been advised to reduce the seating within the premise from an unauthorized 120 to 130 back down to the legal limit of 60 seats. As a result of such notifications, the applicant has filed application for variance seeking relief from the off-street parking requirements to facilitate a legal increase in seating capacity to 108 seats.

It is understood the position of the applicant is that the size of the premises necessitates the degree of seating requested. However, the applicant was fully aware of seating limitation of the premise prior to his occupancy.

Findings and Recommendations

A review of the request would suggest that the substance of the application is based upon financial considerations. The location of the premise is superb - a tremendous view of the Tiburon/Belvedere peninsula, Angel Island, the East Bay and San Francisco is prominent from within. The premises are also located adjacent to a major urban recreational facility - Princess Park. Further, the relationship of the premises to the Village's main thoroughfare, Bridgeway, is excellent. The premise would undoubtedly be substiantially more financially rewarding to the applicant were the seating increased. But, as the Planning Commission and City Council found in the recently considered Scoma variance application, no hardship existed within the framework of the Zoning Ordinance. However, an increase in seating is not a totally unreasonable request, and a vehicle which was fostered by the conversion of the very same structure, i.e., the payment on in lieu

parking fees, exists to accomodate the desired increase in seating capacity. The Planning Department cannot determine a finding of zoning hardship and therefore cannot recommend approval of the variance request. It is recommended, however, that the Planning Commission recommend that the City Council give favorable consideration to the payment of in lieu fees for the 12 off-street spaces necessary to facilitate the desired increase in seating from 60 to 108 seats.

H. ERIC BORGWARDT Director of Planning

HEB:mko

Mayor Sweeny closed the public hearing. Councilman Fraser moved for approval of the amendment as proposed, with referral to the City Attorney for precise wording, and Councilman Dumphy seconded the motion.

Mr. Richard Katz spoke on behalf of Mr. Robert Cranston, asking that the City Council forestall any action until the hearing on Mr. Cranston's variance had been heard. Mr. William Remak questioned what had been done with the money already received, and Mayor Sweeny asked for preparation of a Memorandum indicating distribution of the funds already received. Councilmen Stanford indicated that she felt this was an illegal and immoral act, that there were other ways to handle this problem, and that in-lieu was discriminatory. Voting on the motion as made above,

AYES:

Councilmen:

Dunphy, Fraser, Mayor Sweeny

NOES:

Councilmen: Heynneman, Stanford

ON VARIANCE APPLICATION BY ROBERT CRANSTON FOR PROPERTY AT 660 BRIDGEWAY

Mayor Sweeny opened the public hearing on the variance application by Robert Cranston asking for relief from the parking requirements in order to increase the seating capacity of the Deck House Restaurant from 60 seats to 108 seats without providing the 12 off-street parking spaces required by the increase in intensification of use. After review of the Official Report from the Planning Commission, Mr. Robert Katz spoke on behalf of the applicant, stating that he had, by letter, indicated willingness of the applicant to bring the restaurant up to code if the variance was granted. Mr. Katz also noted that none of the shops also located in the building were open in the evening, and that a great deal of traffic to the restaurant was pedestrian, brought to Sausalito by the ferry boat. In addition, there was no possible way to create parking space. Councilman Fraser made reference to the agreement submitted to Mrs. Polly McNaught but Mr. Jordan commented that he questioned the validity of this agreement. Mr. Katz noted that the resulting increase in the amount of the business license from the increased seating would ultimately compensate for the amount of in-lieu parking funds that would be achieved. Mr. Borgwardt commented that Mr. Cranston had been contacted in October of $ar{1}969$ and informed that he had exceeded the number of seats allowed for the restaurant, and that the same had been done in August, 1970, so that reliance on the ferry boat as reason for an increase in the seating was not justified. He added that the majority of visitors to Sausalito still came by auto, and that the use of in-lieu was not excessive or abusive.

Mayor Sweeny closed the public hearing. Councilman Heynneman made reference to the Memorandum which had been received from the Fire Chief in regard to required remodelling if the seating were to be increased, and also questioned Mr. Katz as to where the employees parked during their working hours. Mr. Cranston indicated that they parked on Caledonia Street or up in the hills above the downtown area. Councilman Fraser asked if Mr. Cranston would enter into an assessment district, and Mr. Katz stated that he would not advise Mr. Cranston to do so. The Council discussed the effect of the in-lieu provision of the ordinance, and the inconsistency of granting variances or requiring payment of in-lieu. Councilman Fraser moved that the City Council grant a full variance as requested, subject to the same requirements as those applied to the McNaught variance, and Councilman Dunphy asked that the report of the Fire Chief dated May 10 and May 12 be made part of the requirements of approval. Councilman Stanford then seconded the motion.

AYES:

Councilmen:

Dunphy, Fraser, Heynneman, Stanford

NOES:

Councilmen:

Mayor Sweeny

660 Bridgeway

A Hachment 10 (2 pages) 5p

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Councilman Fraser pointed out that the real issue was the traffic congestion in the City, and asked for a special meeting to be held during perhaps the third week of July.

APPEAL BY BARNEY AND MARY MAYES ON CONDITIONS IMPOSED ON LOT SPLIT 264

Mayor Sweeny opened the public hearing on the appeal by Barney and Mary Mayes on the conditions imposed by the Planning Commission on approval of Lot Split 254. After review of the Official Report from the Planning Commission, Mrs. Mayes explained that she objected to the condition imposed in regard to removal of two eucalyptus trees from the center of the property, that she felt this was an unfair restriction as she was planning to remove the trees as they were hazardous, but that the fir trees on the property would remain. Bruce Shafer spoke in support of Mrs. Mayes stating that the neighbors were proposing to contribute to the cost in order to have the trees removed.

Mayor Sweeny closed the public hearing. Councilman Dunphy moved seconded by Councilman Stanford, that the appeal be granted, and that the condition partaining to the retention of the eucalyptus trees be removed as a condition of approval of the lot split.

Dunphy, Heynneman, Stanford, Mayor Sweeny Councilmen: AYES:

NOES: Councilmen: None

Fraser ABSTAIN: Councilmen:

STAFF REPORTS

FROM FIRE CHIEF RE WRITTEN TESTING OF CIVIL SERVICE EMPLOYEES

Mr. St. Cyr reviewed the request by Fire Chief Halon for authorizing an agreement between the City and the State of California Personnel Board, Cooperative Personnel Services Division, in regard to the providing of testing materials for Civil Service Employees. Councilman Dunphy moved seconded by Councilman Fraser, for the adoption of <u>RESOLUTION 2332</u>, Resolution of the City Council of the City of Sausalito Authorizing Agreement Between the City of Sausalito and the State of California Personnel Board, Cooperative Personnel Services Division, which designated the City Manager as the person authorized to enter into such an agreement.

Dunphy, Fraser, Heynneman, Stanford, Mayor Sweeny AYES: Councilmen:

Councilmen: NOES:

DOWNTOWN ASSESSMENT DISTRICT

Mr. St. Cyr reported that to date, there had been no responses to the proposal for the formation of a downtown assessment district, and further discussion was put over to a later meeting.

PROPOSAL RE STREET MUSICIANS

Mayor Sweeny opened the continued discussion on the request for permission to allow street musicians to play in certain designated areas within the downtown district, and Mr. St. Cyr, in reply to a question from Councilman Dunphy, indicated that he would be opposed to granting the request. The Council discussed limiting the number of locations where such would be permitted, and that the City Manager could be authorized to issue permits on a first come, first served basis. Police Chief James Wright asked how this would be policed. Councilman Fraser moved for the adoption of a City policy that the playing of music on the streets would be allowed for a test period of 45 days, with the City Manager issuing a permit of his own device, with a report back to the Council at the end of the test period. Mr. Jordan explained that this could not

Division IV—ACCESSIBILITY FOR EXISTING BUILDINGS

SECTION 1134B ACCESSIBILITY FOR EXISTING BUILDINGS

1134B.1 Scope. The provisions of this division apply to renovation, structural repair, alteration and additions to existing buildings, including those identified as historic buildings. This division identifies minimum standards for removing architectural barriers, and providing and maintaining accessibility to existing buildings and their related facilities.

1134B.2 General. All existing buildings and facilities, when alterations, structural repairs or additions are made to such buildings or facilities, shall comply with all provisions of Division I—New Buildings, except as modified by this division. These requirements shall apply only to the area of specific alteration, structural repair or addition and shall include those areas listed below:

1134B.2.1 A primary entrance to the building or facility and the primary path of travel to the specific area of alteration, structural repair or addition, and sanitary facilities, drinking fountains, signs and public telephones serving the area.

Exceptions:

- 1. When the total construction cost of alterations, structural repairs or additions does not exceed a valuation threshold of \$50,000, based on January 1981, "ENR US20 Cities" Average Construction Cost Index of 3372.02 (Engineering News Record. McGraw Hill Publishing Company), and the enforcing agency finds that compliance with this code creates an unreasonable hardship, compliance shall be limited to the actual work of the project. The enforcing agency shall annually update the valuation threshold to a current amount based on the increase in the index since the last figure used. (For example, the January 2006 amount is \$113,586.07.) For purposes of this exception, an unreasonable hardship exists where the cost of providing an accessible entrance, path of travel, sanitary facilities, public phones and drinking fountains is disproportionate to the cost of the project; that is, where it exceeds 20 percent of the cost of the project without these features. Where the cost of alterations necessary to make these features fully accessible is disproportionate, access shall be provided to the extent that it can be without incurring disproportionate cost. In choosing which accessible elements to provide, priority should be given to those elements that will provide the greatest access in the following order:
 - 1.1. An accessible entrance;
 - 1.2. An accessible route to the altered area;
 - 1.3. At least one accessible restroom for each sex;
 - 1.4. Accessible telephones;
 - 1.5. Accessible drinking fountains; and

1.6. When possible, additional accessible elements such as parking, storage and alarms

The obligation to provide access may not be evaded by performing a series of small alterations to the area served by a single path of travel if those alterations could have been performed as a single undertaking. If an area has been altered without providing an accessible path of travel to that area, and subsequent alterations of that area or a different area on the same path of travel are undertaken within three years of the original alteration, the total cost of alterations to the areas on that path of travel during the preceding three-year period shall be considered in determining whether the cost of making that path of travel accessible is disproportionate. Only alterations undertaken after January 26, 1992, shall be considered in determining if the cost of providing an accessible path of travel is disproportionate to the overall cost of the alterations.

- 2. Certain types of privately funded, multistory buildings and facilities were formerly exempt from accessibility requirements above and below the first floor under this code, but as of the effective date of this regulation are no longer exempt due to more restrictive provisions in the federal Americans with Disabilities Act. In alteration projects involving buildings and facilities previously approved and built without elevators, areas above and below the ground floor are subject to the 20-percent disproportionality provisions described in Exception 1, above, even if the value of the project exceeds the valuation threshold in Exception 1. The types of buildings and facilities are:
 - 2.1. Office buildings and passenger vehicle service stations of three stories or more and 3,000 or more square feet (279 m²) per floor.
 - 2.2. Offices of physicians and surgeons.
 - 2.3. Shopping centers.
 - 2.4. Other buildings and facilities three stories or more and 3,000 or more square feet (279 m²) per floor if a reasonable portion of services sought and used by the public is available on the accessible level.

For the general privately funded multistory building exception applicable to new construction and alterations, see Section 1103B.1, Exception 2.

The elevator exception set forth in this section does not obviate or limit in any way the obligation to comply with the other accessibility requirements in this code. For example, floors above or below the accessible ground floor must meet the requirements of this section except for elevator service. If toilet or bathing facilities are provided on a level not served by an elevator, then toilet or bathing facilities must be provided on the accessible ground floor.

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- 3. Alterations, structural repairs or additions consisting of one or more of the following shall be limited to the actual work of the project:
 - 3.1. Altering one building entrance to meet accessibility requirements.
 - 3.2. Altering one existing toilet facility to meet accessibility requirements.
 - 3.3. Altering existing elevators to meet accessibility requirements.
 - 3.4. Altering existing steps to meet accessibility requirements.
 - 3.5. Altering existing handrails to meet accessibility requirements.
 - 3.6. Alteration solely for the purpose of removing barriers undertaken pursuant to the requirements of Sections 36.402 and 36.404 through 36.406 of Title III of the Department of Justice regulations promulgated pursuant to the Americans with Disabilities Act (Public Law 101-336, 28 C.F.R. Section 36.402, 28 C.F.R. Section 36.404, 28 C.F.R. Section 36.405, and 28 C.F.R. 36.406) or the accessibility requirements of this code as those requirements or regulations now exist or are hereafter amended, including the following:
 - 3.6.1. Installing ramps.
 - 3.6.2. Making curb cuts in sidewalks and entrance.
 - 3.6.3. Repositioning shelves.
 - 3.6.4. Rearrranging tables, chairs, vending machines, display racks, and other furniture.
 - 3.6.5. Repositioning telephones.
 - 3.6.6. Adding raised markings on elevator control buttons.
 - 3.6.7. Installing flashing alarm lights.
 - 3.6.8. Widening doors.
 - 3.6.9. Installing offset hinges to widen doorways.
 - 3.6.10. Eliminating a turnstile or providing an alternative accessible path.
 - 3.6.11. Installing accessible door hardware.
 - 3.6.12. Installing grab bars in toilet stalls.
 - 3.6.13. Rearranging toilet partitions to increase maneuvering space.
 - 3.6.14. Insulating lavatory pipes under sinks to prevent burns.
 - 3.6.15. Installing a raised toilet seat.
 - 3.6.16. Installing a full-length bathroom mirror.
 - 3.6.17. Repositioning the paper towel dispenser in a bathroom.
 - 3.6.18. Creating designated accessible parking spaces.

- 3.6.19. Installing an accessible paper cup dispenser at an existing inaccessible water fountain.
- 3.6.20. Removing high-pile, low-density carpeting.
- 3.6.21. Installing vehicle hand controls.
- 3.7. Altering existing parking lots by resurfacing and/or restriping.
- 4. Projects which consist only of heating, ventilation, air conditioning, reroofing, electrical work not involving placement of switches and receptacles, cosmetic work that does not affect items regulated by this code, such as painting, equipment not considered to be a part of the architecture of the building or area, such as computer terminals, office equipment, etc., are not considered alteration projects for the purposes of accessibility for persons with disabilities and shall not be subject to this code unless they affect the usability of the building or facility. For the purposes of this section, the term "construction cost" does not include building permit fees or discretionary permit fees.

The only purpose of this exception is to exclude projects from activating the provisions of this section. The exceptions are not intended to relieve projects from complying with other applicable provisions of this code (e.g., replacement of carpet does not activate the provisions of this section; however, it still must comply with Section 1124B.3).

1134B.2.2 Where it is technically infeasible in the area of an alteration to make existing toilet facilities code compliant and to install separate toilet facilities for each sex, then the installation of at least one unisex toilet/facility per floor being altered, located in the same area as existing toilet facilities, will be permitted. Such a facility shall meet the requirements of Section 1115B.3.2.

SECTION 1135B HISTORIC PRESERVATION—SPECIAL STANDARDS OF ACCESSIBILITY FOR BUILDINGS WITH HISTORICAL SIGNIFICANCE

1135B.1 General. Qualified historical buildings shall comply with the State Historical Building Code, Part 8, Title 24, of the California Code of Regulations.

RECEIVED

MAR 31 2009

LAW OFFICES OF DEREK A. WELLER

1000 Fourth Street, Suite 600 • San Rafael, California 94901 CITY OF SAUSALITO

(415) 453-1375 • (415) 456-1921 (fax)

derek@derekwellerlaw.com

March 31, 2009

Mayor Jonathan Leone and Members of the City Council City of Sausalito 420 Litho Street Sausalito, California 94965

Re:

Opposition to Appeal of Planning Commission Approval of Conditional Use Permit for office use of vacant second story tenant space located at 660 Bridgeway; CUP 08-002.

Dear Mayor and Council Members:

This letter is submitted on behalf of Mr. Chris Henry (the "Applicant") in opposition to Mr. Mike Monsef's (the "Appellant") appeal of the Sausalito Planning Commission's approval of Conditional Use Permit 08-002 (CUP) for Applicant's proposed conversion to office use of vacant second story tenant space within the two-story building located at 660 Bridgeway.

The Planning Commission approved the CUP by a vote of three to one (3 to 1) at its regular meeting on January 28, 2009, and adopted a Resolution approving the CUP and setting forth its findings and conditions of approval in Attachments 1 and 2 of the Resolution. The proposed CUP was previously reviewed by the Historic Landmarks Board (HLB) on February 25, 2008 and April 7, 2008, where the HLB forwarded a recommendation of approval to the Planning Commission by a vote of 2 to 1. Note that Mr. Monsef was a member of the HLB at the time and the only member to vote against recommending the CUP for approval.

On February 9, 2009, Appellant filed this appeal of the Planning Commission's decision approving the proposed CUP. Appellant filed a subsequent letter dated February 17, 2009, stating his reasons for the appeal. In essence, Appellant believes the second story space here should only be permitted to be used for restaurant or retail purposes or converted to hotel use.

As discussed below, however, it is not economically feasible to put this second story space to restaurant, retail or hotel use. This space has remained vacant for nearly four years despite the previous owner's and Applicant's extensive efforts to find someone to open a new restaurant or put the space to other commercial use. Applicant has also analyzed various other alternatives such as hotel use that have not proven to be economically feasible. After four years of unsuccessful efforts, and given the continuing decline in the restaurant business, tourism and of unsuccessful efforts, and given the continuing decline in the restaurant business, tourism and the economy in general, Applicant has concluded that the only economically viable alternatives are to convert the space to office use or convert it to residential use (which does not require a use permit). Of these two alternatives, office use makes the most sense in that it will maintain the commercial character of the space and provide the most benefits to the Central Commercial district and the City.

In approving the CUP, the Planning Commission not only made the correct decision from a land use planning perspective, but also made the only reasonable and legally defensible determination it could given the facts and circumstances. The City's Zoning Ordinance is designed to address changing times like we are experiencing now. By permitting a wide variety of commercial and residential uses within existing structures and allowing changes in uses within

Affachment 12 (a pages) 5A 147 those structures over time, the Zoning Ordinance provides property and business owners with the flexibility to adapt and change to market demands. Here, there is simply no demand for putting this space to restaurant, retail, hotel or other similar uses. Rather, the only viable alternatives at this point are office or residential use.

The proposed office use is clearly the best alternative. It will enhance the economic diversity of the district, which is smart planning in terms of providing for a stable and viable economic base in the downtown area. It will also provide significant economic benefits to the district and the City by increasing the vibrancy of the downtown area and bringing business owners, employees and visitors to the area on a daily basis to patronize local businesses and generate much needed revenues (see further discussion below).

The Planning Commission made the correct decision in terms of smart land use planning and what is best for the district and the City. The other business owners in the downtown area agree, as shown by their letter of support in favor of the proposed office use. (See PC Staff Report, Exhibits G and H.) Moreover, other than the Appellant, no other Sausalito business owners or other persons have voiced any opposition to the proposed office use. Rather, they see it as a much needed benefit to the downtown area.

It is also clear from reviewing the staff report and accompanying materials that the Planning Commission made the only reasonable and legally defensible determination it could under the circumstances. The Planning Commission's role in reviewing the CUP application was to evaluate the facts and information presented to it and to determine whether or not the facts supported the making of the required findings. The City Council's role on this appeal is the same. As discussed in detail in Section 2 below, the Planning Commission made all the proper findings and those findings are clearly supported by the evidence in the record. Not only was the decision legally sound, it appears to be the only reasonable decision that could be reached. The facts and circumstances involved in this matter so strongly support the making of the required findings that it would be difficult to justify any alternative findings or a different conclusion. As such, Applicant strongly urges the City Council to deny the appeal and affirm the Planning Commission's approval of the proposed CUP for office use.

1. Background.

The second story space at issue here consists of the all of the upper level of the two-story building at 660 Bridgeway within the Central Commercial (CC) zoning district. The second story space is currently vacant and has been continuously vacant for nearly four years since the Water Street Bar and Grill closed down in 2005. The first story street-level space is currently occupied by a restaurant and retail uses.

Since 2005, the previous owner and the Applicant (after acquiring the building in 2007) have made extensive efforts to market the property to find a tenant to use the space as a restaurant. The space was listed with a restaurant broker for two years with no success. Applicant has also solicited and worked with numerous restaurantuers in Marin County, San Francisco and other areas but nobody is willing to invest in starting a new restaurant in this space because of the high risks involved. Various restaurantuers, brokers and others familiar with the restaurant business have also advised Applicant that, given the risks and costs involved, there is no real market demand for this space as a restaurant use.

Overall, second-story restaurants are viewed as having a much lower probability of success than street-level restaurants, making them a questionable proposition at best. Given this higher risk, the amount of the initial investment required (estimated at \$3,000,000) and the decline in the economy, the restaurant business, tourism and consumer spending in general, there has been no interest in putting the space to use as a restaurant. Moreover, the fact that the economy remains in decline and that a number of restaurants have recently closed in Sausalito (five or more in the last two years, with three failing just in the last six months), it is highly

unlikely that anyone will be willing to invest in starting up a new restaurant at any time in the foreseeable future, if ever.

Applicant has also analyzed other options, such as converting the space to hotel use or other types of retail uses, but has found that none of these uses are economically viable for this second story space. Appellant suggests the space should be put to retail use, but for the same reason second story restaurants are not viable, neither are second story retail stores. In fact, Applicant is not aware of any second-story retail stores in Sausalito and does not believe retail use is appropriate for, or would be successful in, this second story space.

Appellant also suggests that this space should be converted to hotel use. Applicant has spent considerable effort and money evaluating the feasibility of converting the space to hotel use and has brought a proposal before the HLB. However, after closer analysis, Applicant has concluded that hotel use is not economically feasible.

Applicant has reached the point where it has become clear that the only economically viable uses are to convert the space to office use or to residential use. Applicant believes that office use makes the most sense and is appropriate for this space because it will maintain the commercial character of the space and will be mutually beneficial to the surrounding commercial district and the City as a whole. However, if the Applicant is not permitted to convert the space to office use, Applicant will most likely be forced to resort to converting it to residential use, which is permitted by right under the Zoning Ordinance and does not require a use permit. (See Zoning Ordinance §10.24.030.) Otherwise, the space is expected to remain vacant for some undetermined lengthy period of time, which means it will not be put to any economic use and will provide no benefits to the Applicant, the downtown district or to the City.

Given the circumstances, converting the space to office use provides a realistic avenue for putting the space to economic use and generating economic benefits for the downtown area and the City. For almost four years now, the second story space has remained vacant and put to no economic use. It has generated no income, no visitors to patronize local businesses and no resulting tax revenue. It has contributed nothing to the local economy. The fact it is vacant is also an eyesore and draws from the vibrancy of the downtown area. In contrast, putting the space to office use will result in economic use of the space in the near future, which will enhance the vibrancy of the downtown area and bring business owners, employees, clients, customers and others into the downtown area on a daily basis who will patronize other local businesses, generating much needed revenues. Office use will also provide an opportunity for Sausalito residents to work within the City, as opposed to commuting to office space in San Francisco or elsewhere, thereby reducing traffic and environmental impacts.

The proposed office use will also promote and enhance the economic diversity of the downtown area, which is a policy goal that runs throughout the General Plan and the Zoning Ordinance and is also smart City planning in terms of promoting a stable and diverse economic base that can withstand fluctuations and changes in the economy like we are experiencing now. As noted in the staff report, the downtown area is dominated by restaurant, retail stores, galleries, hotels, and other visitor-serving uses. While office use is an allowable use in the district, there are currently very few existing offices (only 3 second story offices in the district). Providing diversity of use will promote the economic stability of the district and the City. The continued use of the first story of the building for restaurant and retail use is also consistent with purposes of the Zoning Ordinance to provide for and encourage continuous ground-floor retail frontage business and to maintain the character of Sausalito as a pedestrian orientated City. Maintaining the restaurant and retail uses on the ground floor while putting the second story to office use is consistent with all of these stated purposes.

Appellant suggests that the second story space should only be permitted to be used for restaurant, retail or hotel uses. That is not what the Zoning Ordinance says, however. A wide variety of uses other than retail or hotel uses are permitted within the Central Commercial

district, including the conversion of this space to office uses where the required findings are satisfied. Residential use is also permitted without the need of a use permit. Appellant appears to believe that the use of the space for office use will reduce the vibrancy of the district compared to what it was in historical times when there was a market and a restaurant in the space. Appellant, however, ignores that times have changed and that the economics of the downtown area are such that it is not economically viable to put this space to restaurant, retail or hotel uses. Office use, on the other hand, is a realistic and feasible alternative and will provide tangible economic benefits to the district and the City in what are now hard times.

Appellant also states in his appeal letter that the needed handicap access upgrades (ADA upgrades) is the only impediment preventing a tenant from leasing this space. That is not the case, however. In discussing the matter with potential tenants, Applicant has always been willing to absorb the cost of completing the required upgrades if a viable restaurant or other commercial tenant was interested in taking over the space. The problem has not been the cost of the ADA upgrades, it has been the lack of anyone willing to invest in starting a new restaurant or other business in this space.

Appellant also suggests that permitting office use will reverse the City's decision in the late 1960s and early 1970s approving the conversion of Purity Market to retail and restaurant use. Nothing about the proposed office use, however, in any way affects the City's decision or agreement with the property owner. As I understand, in connection with the City's approval of the retail and restaurant use in 1967, the property owner conveyed the adjacent parking lot to the City for park purposes (now Yee Tock Chee Park) and the City accepted the parking lot in place of requiring the property owner to pay an in lieu parking fee for the intensified retail and restaurant uses. The City did not impose any requirement that the building must always be used for retail or restaurant uses or any other similar requirements. The benefit of the agreement to the City was the receipt of the park lands. Nothing about converting the space here to office use affects that agreement or the park in any way.

Concern has also been raised that permitting the conversion of the space to office use will deprive the public of access to the views from the second story space. The public, however, will continue to have the opportunity to enjoy the views from the ground-level restaurant and retail stores, from the general public area along the exterior of the building and from the adjacent public park (see pictures in Planning Commission Staff Report). It is also important to keep in mind that the second story space is private property and has never been required to be open to the public generally. There is no public right to access the second story space and nowhere in the City Municipal Code or elsewhere is any authority to require the space be maintained for public access.

Finally, Appellant states his belief that since office conversions are not permitted within the Waterfront (W) district, it should not be permitted in the other waterfront districts. Again, that is not what the Zoning Ordinance says. While office conversions are prohibited in the Waterfront (W) district for specific reasons beyond the scope of this letter, the Zoning Ordinance specifically allows office conversions in the Central Commercial (CC) district as well as the Central Waterfront (CW) district. The Zoning Ordinance reflects a conscious decision to permit office use in some waterfront areas and not others.

Overall, it seems clear that the Planning Commission made the correct decision in approving the proposed CUP for office use and that Appellant has not raised any meaningful grounds for reversing that decision. On this appeal, the question before the Council is whether all the required findings set forth in the Zoning Ordinance are satisfied given the existing facts and circumstances, including whether the proposed office use will provide economic diversity and benefits to the district and the City. The question is not whether in an ideal world the proposed use would theoretically provide the most economic benefit or be the best possible use.



b. Required Findings.

As outlined below, the Planning Commission made all the required findings and those findings are supported by the facts and evidence in the record. It is difficult to see how the Planning Commission could have reached a different conclusion, or how the Council could make any alternative findings or reach a different decision.

Because the second story space here was previously used as an eating and drinking establishment, the conversion of the space to office use requires a Conditional Use Permit under Section 10.24.030 of the Zoning Ordinance and is subject to the specific office conversion requirements under Section 10.44.250 of the Zoning Ordinance. The required findings are set forth in Sections 10.60.050.A through I (CUP Findings) and Section 10.44.250.C (Office Conversion Findings).

For ease of reference, I have reprinted below each finding required under Sections 10.60.050 and 10.44.250 (in bold), followed by the specific findings made by the Planning Commission in its Resolution approving the CUP (in italics). Further comments are provided where appropriate to explain why the Planning Commission's findings are correct and should be affirmed.

Conditional Use Permit Findings:

10.60.050.A. The proposed use is allowed with issuance of a Conditional Use Permit, pursuant to Chapters 10.20 thru 10.28 (Zoning District Regulations), or Section 10.46.040 (Conditional Uses), Chapter 10.44 (Specific Use requirements) or any other applicable section of this Title 10.

Office conversions of previously existing eating and drinking establishments in the Central Commercial (CC) Zoning District are permitted with approval of a Conditional Use Permit by the Planning Commission (Zoning Ordinance 10.44.25). [See PC Resolution, ¶1(A).]

10.60.050.B. The proposed use is consistent with the General Plan, the purposes of the Zoning Ordinance, and the purposes of the applicable zoning district.

The proposed office use is consistent with the General Plan policies to enhance the economic diversity of the downtown and to respect and maintain the exterior integrity of the historic structures and sites (Sausalito General Plan Policy LU-2-2 and Objective CD-7.0). The proposed office use will enhance the local economy by attracting small local businesses to a site that has been vacant for several years, which is consistent with the stated purposes of Commercial Districts in the Zoning Ordinance to provide space for diverse types of commercial activity to serve people and industry, while maintaining and strengthening the economic base of the City of Sausalito (Section 10.24.010.A). [See PC Resolution, ¶1(B).]

Comments: Two major themes run throughout the applicable General Plan policies and stated purposes of the Zoning Ordinance and zoning districts: (1) to enhance and provide for economic and commercial diversity of the downtown area, and (2) to maintain and strengthen the economic base of the City. As discussed above, the proposed office use will clearly enhance economic diversity and strengthen the economic base of the district and the City as a whole. In comparing a space that has been vacant for nearly four years and has provided no

See General Plan Policy LU-2-2 (work with downtown business interests to enhance the economic diversity of the area); see also Zoning Ordinance §§ 10.24.010.A (provide space for diverse types of commercial activity while maintaining and strengthening the economic base of the City); 10.24.010.C (permit the establishment of varying commercial uses in locations suitable both to individual enterprises and the City); and 10.44.250.A.1 (provide economic and commercial diversity in the downtown area).

economic benefits against an office use that will provide substantial economic benefits in the near future, there is no question the Planning Commission correctly concluded that the proposed office use will enhance the economic diversity and strength of the downtown area. The continued use of the first story of the building for restaurant and retail use also furthers the other stated purposes of the Zoning Ordinance to provide for and encourage ground-floor retail business (10.24.20.D), to promote continuous retail frontage and prohibit establishments that tend to break up such continuity (10.24.20.E), and to maintain the character and attraction of Sausalito as a pedestrian orientated City (10.44.250.A.3). Given the facts and circumstances, there is no reasonable basis on which the Planning Commission or the City Council could make a finding that the proposed office use would not enhance economic diversity and strengthen the economic base of the district.

10.60.050.C. The proposed use, together with applicable conditions, will not be detrimental to the public health, safety or general welfare of the City.

The proposed use will operate in the second floor of a two-story building, a location suitable for this type of low impact use that does not appear to adversely impact public health, safety and welfare of the City. The offices will replace a previous restaurant use that allowed a greater occupancy of the building, and thus will reduce impacts to the site and structure in terms of parking and number of visitors. [See PC Resolution, $\P1(C)$.]

<u>Comments</u>: The Planning Commission was correct in finding the proposed use will not be detrimental to public health, safety and welfare. The site is suitable for office use and no adverse impacts have been identified at any point in the process. Rather the proposed use will provide significant economic benefits to the downtown area and the City, as discussed above.

10.60.050.D. The proposed use complies with each of the applicable provisions of the Zoning Ordinance.

With approval of the Conditional use Permit, the use will comply with all applicable provisions of the Zoning Ordinance for office conversions (Section 10.44.250). The new use will not exacerbate or intensify existing legal nonconforming off-street parking, but rather will locate a use requiring less parking in the upper floor. [See PC Resolution, ¶1(D).]

<u>Comments</u>: There is no issue here. With the CUP, the proposed use will comply with all applicable provisions of the Zoning Ordinance. The Planning Commission made the correct finding here.

10.60.050.E. The proposed use or facility is properly located relative to the community as a whole and to land uses and transportation and service facilities in the vicinity.

The office is an appropriate use for second level tenant space in the Downtown that has been vacant for several years and has not recently proven to economically support restaurants. Historically, the 660 Bridgeway site has supported offices, as it was the original location of the Sausalito Land & Ferry Company real estate offices in 1906. The second level is also not currently designed to accommodate residential uses, which is the use typically permitted in upper levels of commercial buildings in the Downtown. [See PC Resolution, ¶1(E).]

Comments: The Planning Commission correctly concluded that the proposed use is properly located. Second story office use is consistent with the General Plan and Zoning Ordinance policies and purposes to provide for continuous ground-floor retail frontage business and to maintain the character of Sausalito as a pedestrian orientated City. Office use also enhances economic diversity and stability of the district economy, and second story space (as opposed to ground level space) is the appropriate place to locate such office use within the district. In fact, the original use of the site was for office use from 1906 to the 1940s, and then later

again as offices for Purity Market. Other second story office spaces in the district have also proven to be appropriate uses in the district.

10.60.050.F. The size and shape of the subject property is adequate to provide features needed to ensure reasonable compatibility with land uses normally permitted in the surrounding area. Features may include but not limited to yards, open spaces, walls and fences, parking, loading, landscaping, and such features as may be required by this Title or the Commission.

The addition of the proposed use will not alter open spaces, walls, parking, or landscaping of the site, which is currently adequately designed to provide features necessary to ensure compatibility with normally permitted land uses in the surrounding area. The size of the tenant space is also compatible with what is necessary to support an office use, and is in a location that will not impact continuous retail frontage along the ground floor. [See PC Resolution, $\P1(F)$.]

<u>Comments</u>: The Planning Commission made the correct finding here because the proposed use will not result in any alterations that will in any way affect the building's compatibility with the surrounding area. Pursuant to the Conditions of Approval adopted by the Planning Commission in approving the CUP, any exterior alterations are subject to further review by the City. (See PC Resolution, Condition of Approval Nos. 1 and 2.)

10.60.050.G. Public utilities are or will be adequate to serve the proposed use, including streets and highways paved (and adequate width) for the quantity and type of traffic it will generate.

All public utilities and facilities are adequate for the proposed use. It is not anticipated that the use will generate additional traffic impacts to Bridgeway, as the use is replacing restaurant use that allowed for a higher occupancy and required a higher off-street parking ratio. [See PC Resolution, ¶1(G).]

<u>Comments</u>: The Planning Commission made the correct finding here because all public utilities and facilities are provide for and there will be no increased impacts on traffic.

10.60.050.H. The proposed use will not materially adversely affect nearby properties or their permitted uses.

The purpose of the CC District is to allow for continuous ground floor retail frontage and prohibit establishments that break up such continuity, and provide for upper-floor residential uses (Zoning Ordinance Section 10.24.020.) In the case of the proposed use, the offices will be located in an upper floor location, where generally residential uses are permitted. However, this particular location has historically been used for retail and restaurant uses since the 1940's and is not designed to accommodate residences. Because the permitted retail and restaurant uses have not proven to be economically viable for the upper floor tenant space, and the applicant is proposing a use similar in intensity to the residential uses permitted for the upper floor of commercial buildings in the Downtown, it does not appear the proposed office use will materially adversely affect the Downtown Historic District and its permitted uses. [See PC Resolution, ¶1(H).]

<u>Comments</u>: The Planning Commission's finding here is correct simply on the basis that nothing about the proposed use will any way adversely affect any nearby properties or affect the property owners' ability to continue to use their properties for their permitted uses. To the extent the proposed use will have any impacts, those impacts will be economic in nature and will benefit the surrounding district (as discussed above).

Office Conversion Findings:

10.44.250.C.1. The proposed use will promote diversity and variety to assure a balanced mix of commercial uses available to serve both resident and visitor populations.

An office use in the second level of a commercial building will provide balance to the mixture of commercial uses in the Downtown, which are predominantly retail, restaurants, art galleries, hotels, and other visitor-serving uses. Office workers will patronize existing commercial uses, and will encourage a working population in the downtown in addition to visitors. [See PC Resolution, $\P2(A)$.]

Comments: As discussed above, the Planning Commission correctly found that the proposed use will enhance the economic diversity of the district by providing for a balanced mix of commercial uses within the district, which will in turn, promote the long term economic stability of the district and the City as a whole. Given that there are only a few office uses in the district, it is difficult to see how the Planning Commission or the City Council could conclude the proposed office use does not enhance economic diversity. As noted above, providing for economic diversity by permitting office use is a wise planning strategy for developing a strong and resilient economic base in the district.

10.44.250.C.2. The proposed use will not result in over-concentration of a specific use within the district.

There are very few offices located in CC District, and almost all are located in the upper levels. Based on review of current occupational permits issued and a Downtown site visit, staff estimates approximately three buildings in the Downtown currently house upper level offices, including I-15 Princess, 665 Bridgeway, and 666 Bridgeway. As there are currently so few offices, staff does not anticipate the proposed use conversion will result in overconcentration of offices within the CC District. Although the CC District is intended for upper level residential and ground floor retail, the subject building is not designed to accommodate residential uses, as it was originally designed as a supermarket. A second level office is a lower intensity use that is similar in nature to the residential uses permitted in the CC District. [See PC Resolution, ¶2(B).]

<u>Comments</u>: Since there are so few office uses in the Central Commercial district (only 3 second-story office uses), the Planning Commission correctly found that the proposed office use would not result in an over-concentration of a specific use within the district.

10.44.250.C.3. The proposed use would be mutually beneficial to, and would enhance the economic health of, surrounding uses in the district.

The existing tenant space in the upper story has been vacant for several years, with several attempts to reopen a restaurant that have failed. A new business or professional office will diversify Sausalito's economy and encourage the retention of local business. Small businesses of this type were ranked as the most acceptable and most important businesses for the City in a survey conducted by Gene Bregman & Associates (Executive Summary Report from Survey of Adult Residents in Sausalito, October 2006). The addition of an office in the Downtown would bring new employees to patronize downtown businesses, thus enhancing the economic health of the district. [See PC Resolution, ¶2(C).]

Comments: As discussed above, the proposed office use will provide clear economic benefits to the district and the City by putting a vacant space to economic use that will bring business owners, employees, clients, customers and others to the downtown area on a daily basis who will patronize other local businesses. It will also convert an otherwise vacant eyesore to a viable economic use, thereby increasing the vibrancy of the downtown area. It is clear that the Planning Commission, in comparing these obvious economic benefits to a

space that has remained vacant for nearly four years and provided no economic benefit, correctly concluded that the proposed office use will be mutually beneficial to, and will enhance the economic health of, the surrounding uses in the district. Any other finding would simply ignore the economic realities.

10.44.250.C.4. The proposed use will enhance and maintain efficient use of available public and/or private parking in the applicable district.

Although proposed use does not include additional parking, the new use provides for a less intense parking demand than the previous restaurant use. The eating and drinking establishment that was previously located in the tenant space would require a minimum of thirty (30) off-street parking spaces, while the new office use would require fourteen (14), which is clearly a less intensive use in terms of parking requirements. [See PC Resolution, $\P2(D)$.]

<u>Comments</u>: The Planning Commission made the correct finding here because the proposed use will result in a less intensive use in terms of parking requirements.

3. Conclusion.

For the reasons discussed above, Applicant respectfully requests the City Council to deny the appeal and affirm the Planning Commission's approval of the CUP. Converting the second story space to office use is the best decision from a land use planning perspective and provides the most benefit to the district and the City. It also appears to be the only reasonable and legally supportable decision given the facts and circumstances involved in this matter. Where the facts are clear and support the making of the required findings to approve the proposed CUP, the City Council, like the Planning Commission, is limited in its discretion and must approve the CUP. While the proposed use may not provide the most economic benefit or be the best possible use in an ideal world, we all know that we are not currently living in ideal times. The proposed office use is the only realistic alternative for putting this space to economic use.

Thank you for your consideration on this matter.

Sincerely,

Derek A. Weller

cc: Chris Henry, Applicant Heidi Burns, City Planner 

PECEVED

MAR 30 2009

CITY OF SAUSALITO COMMUNITY DEVELOPMENT

March 25, 2009

City of Sausalito City Council:

I have been asked to give you some perspective regarding the feasibility of creating a restaurant on the second floor of the building located at 660 Bridgeway. I'm very familiar with that building as, once upon a time long, long ago, I actually had a restaurant in that location called "Richardson's Bayview Restaurant". That was back in the 70's and was very short lived.

In my opinion, it will be very difficult to successfully operate a restaurant in Sausalito that occupies the second floor of the building. The potential audience for restaurant patrons in Sausalito is limited. In addition, the building at 660 Bridgeway has the following additional difficulties in terms of a restaurant location:

- 1. In these economic times, it is very difficult to raise capital to start a new business. Funds are just not available.
- Patrons not familiar with the area (including tourists) are less apt to notice a secondstory establishment than one on the ground level.
- 3. Patrons prefer to observe a restaurant on the ground floor before entering. They prefer not to climb stairs or take an elevator.
- 4. It is more expensive to operate on the second floor due to the time and manpower needed to move supplies upstairs and garbage downstairs.
- 5. There is no customer parking, and no lot to operate valet parking.
- 6. The costs to remodel the current space are prohibitive (\$500 per sq. ft. or \$3 million in total).

I have discussed these issues with the building's owner, Chris Henry, and thought these issues should be brought to your attention as you decide the best use for the second floor.

Naturally, restaurateurs are the "eternal optimists" so one never knows what dream might exist that includes building a second-story restaurant in the lovely City of Sausalito that has a Bay view location and a knowledgeable potential audience. It is just something that my experience tells me will likely not succeed.

Sincerely,

Laurence B. Mindel

Attachment 13 (1 page)

AT THE CASA MADRONA HOTEL & SPA

POGG: 0 7/7 BRIDGEWAY SAUSALITO CA 94965 415 332 7771 jax 415 332 6847

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APR 1 2009

660 Bridgeway Appeal to City Council To be heard on Tuesday, April 7, 2009

CITY OF SAUSALITO COMMUNITY DEVELOPMENT

Me strongly support the retail uses, particularly guest lodging on the upper floor of 660 Bridgeway. These uses in turn would contribute and enhance the existing shops and restaurants. Apartments and office uses would not contribute to this shopping area.

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the upper floor of 660 Bridgeway. These uses in turn would contribute and enhance the existing shops and restaurants. Apartments and office uses would not contribute to this shopping area. 688 Bridgeway, Sausalito Jans-0 743 BRIDGEWAY JUSE M. GARM-HOLLAND Brit DOZWay

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660 Bridgeway Appeal to City Council To be heard on Tuesday, April 7, 2009

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