



Port commissioners to review project plans for 'Spinnaker' Hotel, Shelter Island

By **THOR KAMBAN BIBERMAN**, The Daily Transcript
Friday, August 4, 2006

A redeveloped entrance to Shelter Island and an extension of the option for the proposed Fifth Avenue Landing Hotel next to the Convention Center are on tap for the Board of Port Commissioners on Tuesday.

The June 2003 Master Plan Amendment for Shelter Island's America's Cup Harbor area describes a new development for marine service center buildings located on the yacht basin side of the corridor. The plan would redevelop this area by demolishing the existing buildings, creating better efficiencies between building areas and establishing an entrance to the yacht basin area.

The master plan also calls for the port to participate in the renovation the street area, the creation of a pedestrian promenade, the construction of a shoreline park and the establishment of a discernible demarcation between the uplands and tidelands by following a street design that emphasizes a sense of entry.

The Shelter Island Entrance Corridor includes approximately 74,000 square feet of land and more than 50,000 square feet of water area on the southeast corner of Anchorage Lane and Shelter Island Drive.

The Port Master Plan for this zone would consolidate four existing small buildings into a centralized complex, thereby creating space for a small park, larger building sites of an as-yet indeterminate size, additional parking areas and a more attractive entrance to Shelter Island.

Four existing separate tenants in the corridor have proposed a cooperative redevelopment of the area and formed an entity, **North Bay Development LLC**, for that purpose. Those tenants are: Gordon Barienbrock dba **Crow's Nest**, **North Sails One Design**, Harold O'Neal dba **Custom Marine Electronics**, and the **Marlin Club**. A fifth area tenant, **Baker Marine**, is not a party to the negotiations for reasons that weren't clear.

The Crow's Nest, a yacht broker, has 7,500 square feet of land, a 1,136-square-foot building and 25,885 square feet of water area. The tenant, which has been on the property for 30 years, has a rent of \$5,833 per month.

Michael Gardella, a Crow's Nest employee and investor who has been on-site for most of those 30 years, says his business is not only bursting at the seams, but the structures that do exist are also dilapidated buildings from the early 1970s. He said two buildings, one of 20,000 and another of 10,000 square feet, would give Crow's Nest what it needs. Seattle-based **Callison Architects** is designing this as well as handling the master plan for the project.

Crow's Nest would not be alone in this Shelter Island redevelopment. North Sails, a sail maker that has been on its site at 1111 Anchorage Lane for the past 40 years, also could get improved digs.

North Sails has 18,494 square feet of land and 17,526 square feet of building. It generates \$7,258 in monthly rent for the port.

Custom Marine Electronics has 7,202 square feet of land, 4,753 square feet of buildings and generates \$5,833 in rent per month. Officials from that firm declined comment while they are in negotiations with the port, but have expressed some concerns over design.

The Marlin Club, which has 10,000 square feet of land, 24,125 square feet of water and a small 974-square-foot building, is a tenant that the port has subsidized for many years because its fishing uses are deemed to be a public service. The port receives only \$75 per month on this leasehold, which is not expected to change.

Also on Tuesday, the Board of Port Commissioners will consider extending a two-year option agreement on the planned 250-room Fifth Avenue Landing Hotel, which is known as "The Spinnaker" because of its sail-shaped design.

The Fifth Avenue lease option expired on July 31. Under the proposal before the port, the option would be renewed for another year. As explained by the port, this will allow the developers **R.E. Staite Engineering Inc.**, contractor Ray Carpenter and The **Marine Group** principal Art Engle, to develop what has been called one of the most ideal locations on the West Coast.

Some significant amendments to the lease agreement were made nearly three years ago and included the increase of the minimum rent from \$143,076 to \$296,889 per year.

The contract also requires the demolition of existing leasehold improvements; furthermore, construction on infrastructure improvements must begin by Feb. 28, 2008, and be completed by Sept. 30, 2008, prior to the opening of the 1,200-room Hilton Hotel on the Campbell Shipyard site.

Along with its 250 rooms, the 22-story Spinnaker hotel will have 19,020 square feet of ballroom/banquet/meeting space; a 8,700-square-foot health club and swimming pool; a pedestrian bridge over Convention Way from the Convention Center terrace to the shoreline promenade; and a two-story Water Transportation Center with docking facilities for harbor excursion boats, water taxis, ferry service and private yachts.

The project is slated for completion no later than January 2012 but could be done well before that.