# Table of Contents

1. SUMMARY OF FINDINGS AND RECOMMENDATIONS ... 1

2. A SNAPSHOT OF PACIFICA’S ECONOMY ................. 7
   2.1 Employment Trends in Pacifica and the Region .............. 8
   2.2 Workforce Characteristics ................................ 9
   2.3 Demographic and Income Trends ............................ 10

3. ECONOMIC DEVELOPMENT STRENGTHS .............. 12

4. BUSINESS ATTRACTION POTENTIAL ................. 15
   4.1 Characteristics of Vacant Space In Pacifica ............... 15
   4.2 Restaurant Attraction Potential ........................... 17
   4.3 Retail Attraction Potential And Constraints ............. 17
   4.4 Potential to Attract Recreation Businesses ............ 19

5. POTENTIAL TO DEVELOP NEW BUSINESS SPACE .... 20
   5.1 Constraints to Developing New Business Space .......... 20
   5.2 Vacant and Underutilized Sites .......................... 22

6. PACIFICA’S TOURISM INDUSTRY ..................... 29
   6.1 Local Hotels .................................................. 30
   6.2 Special Events .............................................. 31
   6.3 Historical Sites ............................................ 31
   6.4 Marketing Initiatives ...................................... 31

7. ECONOMIC DEVELOPMENT ACTION PLAN .......... 33
   7.1 Generate Citizens Support to Expand the City’s Economic Development Capacity ....................................... 36
   7.2 Support Business Retention and Attraction ............... 38
   7.3 Redevelop or Revitalize Key Opportunity Sites .......... 41
   7.4 Expand Funding to Promote Pacifica as a Visitor Destination .......... 43
   7.5 Expand Lodging and Promote Pacifica as a Visitor Destination ........ 44
   7.6 Promote Rockaway Beach as Pacifica’s Primary Visitor Destination .................................................. 45
   7.7 Continue to Revitalize the Palmetto Avenue Corridor ..... 48
   7.8 Other Potential Site Development Opportunities .......... 48

8. BENCHMARKS AND PERFORMANCE MEASURES .... 50

APPENDIX A: BACKUP TABLES ............................. 53
LIST OF FIGURES

1. Employment by Industry in Pacifica and San Mateo County, 2011 ...7
3. Pacifica’s Economic Development Strengths .............................................12
4. Inventory of Vacant Commercial Space in Pacifica, 2013 ..............16
5. Inventory of Big Box Retail Surrounding Pacifica .......................17
6. Pacifica’s Economic Development Sites and Opportunity Areas ....26
8. Summary of Economic Development Objectives and Recommendations ..............................................................................33
9. Benchmarks and Performance Measures ........................................51
1. Summary of Findings and Recommendations

The Economic Development Plan describes seven economic development objectives and suggests 35 recommendations that will help Pacifica take advantage of its terrific location in one of the most dynamic regional economies in the United States. Collectively, the recommendations present a plan of action that can help Pacifica accomplish the goal of diversifying the local economy and improving the City’s fiscal sustainability.

The findings and recommendations were generated from interviews with City staff and other community stakeholders; monthly meetings with the Pacifica Economic Development Committee; a review of the economic, real estate and demographic data; and an analysis of the local economic development opportunities and constraints.

Pacifica’s economic development opportunities are constrained by the lack of business space available to technology and other startup companies. The existing commercial vacancies are not well matched with the space needs of technology and software start-up firms, which will pay high wages, retain some out-commuters to work in Pacifica, and generate good fiscal benefits from property tax and business-to-business sales receipts. The City’s history as a bedroom community has contributed to Pacifica’s challenges to capture a share of the regional investment in software, biotechnology or other technology sectors, which are thriving in nearby communities.

Without a plan to develop new business space that meets the requirements of technology start-up firms, Pacifica’s economy will continue to underperform. Low wage retail, personal service and tourism jobs will continue to dominate, and opportunities to attract a share of regional investment in software, biotechnology or other tech sectors will be lost. Overcoming local opposition to land use change is critical to the City’s economic success and fiscal sustainability.

The need to build new business space is not a task that the City can accomplish on its own. New commercial development will ultimately require a partnership between the City and private property owners, with the private sector taking the lead. Key sites like the Quarry cannot be developed until an owner emerges with the intention and financial capacity to invest in the site in a manner that is consistent with city values. The City can require the property owner and their developer partners to build new high quality office and/or laboratory space as a project approval condition. However, the City’s ability to encourage new
development requires cooperative and assertive property owner/developer partners.

Proposals to expand the number of hotel rooms, which will generate Transit Occupancy Tax (TOT) revenues and additional visitor spending tax receipts should also be supported. New hotel rooms generate TOT revenues and they attract visitor spending into the City.

SUMMARY OF PACIFICA’S ECONOMIC DEVELOPMENT OBJECTIVES AND RECOMMENDATIONS

The economic development objectives and recommendations are summarized below. Section 7 of this report elaborates on the recommendations in more detail.

ED Objective #1: Generate Citizens Support to Expand the City’s Economic Development Capacity

The City Council should state its commitment to making economic development a citywide priority, and establish clear guidance about implementing the objectives. The broad support for tourism among residents of Pacifica should be extended to other economic development initiatives and projects, and the City’s capacity to advocate for business interests and implement economic development projects should be expanded.

Recommendations

- Pacifica’s primary economic development goal should be to diversify the local economy and improve the City’s fiscal sustainability.
- Prepare a General Plan Economic Development Element and complete the General Plan update
- Hire a full-time Economic Development Coordinator to implement City initiatives if sufficient fiscal resources are available to support the position.
- Consider hiring a part time Economic Development Consultant if sufficient fiscal resources are not available to support a full time position

Objective #2: Support Business Attraction and Retention

The City should actively participate in an effort to attract new business and to support the success of established businesses.
Recommendations

- Establish a Business Retention Program (BRP) that can act as an “early warning system” for business sectors that may be at risk.

- Partner with the San Francisco Renaissance Entrepreneurship Center to offer business startup and management training for Pacifica entrepreneurs and small businesses.

- Study the feasibility of establishing a Pacifica micro-loan fund

- Establish a Shop Pacifica campaign modeled after successful “shop local” efforts in other communities, and consider implementing this in partnership with the Chamber and independent merchants.

- Recruit new restaurants with a distinct local character that can take advantage of the emerging consumer preference for local- and neighborhood-serving restaurants, improves the quality of food and other services offered, and maintains the community’s unique character.

- Recruit new recreational businesses that can capitalize on Pacifica’s oceanfront and other environmental assets.

- Organize a tour of vacant commercial spaces that may generate interest from local entrepreneurs or residents seeking business startup or live-work space.

- Support unanticipated business attraction opportunities by finding appropriate business sites and ease local planning requirements.

Objective #3: Redevelop or Revitalize Key Opportunity Sites

Revitalizing economic development opportunity sites presents Pacifica with its best opportunity to make a significant change to the local economy by adding new office, commercial or laboratory space, or new commercial retail space that will help Pacifica accomplish the fiscal sustainability goal. The development of new business space has the potential to reshape Pacifica’s economy. If implemented, Pacifica could attract startup firms engaged in the research and development of software design, biotechnology, and other technology sectors.

Recommendations

- Partner with the Quarry property owner to plan a financially feasible land use mix that community residents can support.

- Partner with the Calson Site property owner to plan a financially feasible land use mix that the community can support.
Continue implementing the Beach Boulevard Redevelopment Plan; the City’s current approach should be maintained as the project moves forward.

Support Eureka Square to be more intensely developed with a mix of residential and commercial uses. The General Plan Update should encourage the Eureka Square property owner to more intensely develop the site with a mix of residential and commercial uses.

Encourage the former Pacifica Lumber Yard Site to re-establish retail uses or to sell to new buyers that will attract a new retail business.

Objective #4: Expand Funding Dedicated to Promote Pacifica as a Visitor Destination

Additional funding to promote tourism could yield a direct return on investment in the form of improved occupancy rates and restaurant sales. Visitors staying in local lodging facilities generate positive fiscal returns to the City in the form of a 12 percent Transit Occupancy Tax assessed to a $150 average room rate per night, plus additional tax receipts generated by visitor spending at local restaurants and stores.

Recommendations

- The City and the Pacifica Hotel Business Improvement District (BID) should consider an additional assessment to supplement the $65,000 per year of annual revenues;

- The BID should be expanded to include restaurants, retail and other visitor serving businesses.

- The City should invest additional funding to promote Pacifica as an overnight visitor destination, which would supplement the $10,000 allocated for visitor services, plus the BID funds (pending budget availability).

- Pacifica’s tourism industry stakeholders should seek additional promotion and marketing services from the San Mateo County/Silicon Valley Tourism Business Improvement District.

Objective #5: Expand Lodging and Promote Pacifica as a Visitor Destination

The City, BID, and Chamber should fund efforts to expand the inventory of lodging rooms and to attract overnight visitors to stay at the hotels. Promotional efforts should connect recreational visitors with food, local retailers, recreational services, and food services that can be purchased in Pacifica.
Recommendations

- Support proposals to expand the number of lodging rooms at appropriate locations;
- The City and the BID should consider offering matching fund grants to the hotels and other destination commercial businesses engaged in visitor attraction efforts;
- The City and BID funding should continue to produce the Pacifica map and the visitor information located on the Chamber of Commerce web site;
- The City and BID should continue funding efforts to promote hotel stays during off-week and off-season periods.

Objective #6: Promote Rockaway Beach as Pacifica's Primary Visitor Destination

Pacifica would benefit from efforts to attract visitors to Rockaway Beach where people could park their cars and walk to the beach. Food service establishments and small retail stores can be patronized without additional driving trips.

Recommendations

- Brand Rockaway Beach as a food and lodging visitor destination.
- Attract music and other special events to Rockaway Beach
- Incorporate Rockaway Beach into the annual Fogfest celebration and coordinate the events in a planned sequence to maximize attendance;
- Encourage visitor-serving retail to locate at Rockaway Beach
- Work with local merchants to normalize business hours
- Improve signage to attract new customers to Rockaway Beach, which will encourage repeat visits and the creation of a community village environment.

Objective #7: Continue efforts to revitalize the Palmetto Avenue Corridor

The City should complete the infrastructure improvements to incentivize new real estate investments and continue to support land use changes that encourages walkability. Selected businesses should be encouraged to move to a new location, which would allow underutilized sites to be redeveloped with new residential and commercial space that enhances the character of the corridor.
Recommendations

- Complete infrastructure and streetscape improvements along the corridor
- Create a Palmetto Avenue Specific Plan to guide future private development
- Reach out to businesses along the corridor to identify and address opportunities and constraints

* * *
2. A Snapshot of Pacifica’s Economy

Pacifica has a very small economy with approximately 39,000 residents and 21,000 employed workers, of which 18,000 leave town five days per week to commute to other employment centers. Local employers generate only 4,400 jobs, of which 2,000 commute into Pacifica from out of town. This means that the City’s population shrinks to 23,000 people during the workdays, which greatly reduces the capacity to populate restaurants and make consumer purchases at local business establishments.¹

Pacifica’s 530 private sector employers generate 4,390 jobs with additional jobs created by government and non-profit employers (see Figure 1).² Relatively low wage retail and hospitality establishments generate nearly 40 percent of the local jobs. Conversely, health and private education services, professional and business services and the construction industry sector generate good paying jobs.

FIGURE 1
Employment by Industry in Pacifica and San Mateo County, 2011

<table>
<thead>
<tr>
<th>Industry</th>
<th>Employment</th>
<th>Percent Total</th>
<th>Employment</th>
<th>Percent Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>530</td>
<td>12%</td>
<td>13,600</td>
<td>5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>240</td>
<td>5%</td>
<td>26,400</td>
<td>9%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>10</td>
<td>0%</td>
<td>11,100</td>
<td>4%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>860</td>
<td>20%</td>
<td>33,100</td>
<td>11%</td>
</tr>
<tr>
<td>Transportation, Warehousing &amp; Utilities</td>
<td>40</td>
<td>1%</td>
<td>23,900</td>
<td>8%</td>
</tr>
<tr>
<td>Information</td>
<td>30</td>
<td>1%</td>
<td>17,400</td>
<td>6%</td>
</tr>
<tr>
<td>Financial, information, real estate</td>
<td>210</td>
<td>5%</td>
<td>19,300</td>
<td>7%</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>560</td>
<td>13%</td>
<td>63,200</td>
<td>22%</td>
</tr>
<tr>
<td>Educational &amp; Health Services</td>
<td>840</td>
<td>19%</td>
<td>34,700</td>
<td>12%</td>
</tr>
<tr>
<td>Leisure, Hospitality &amp; Arts</td>
<td>850</td>
<td>19%</td>
<td>35,300</td>
<td>12%</td>
</tr>
<tr>
<td>Other Services</td>
<td>220</td>
<td>5%</td>
<td>12,400</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,390</strong></td>
<td><strong>290,400</strong></td>
<td><strong>290,400</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Data Sources: California Employment Development Department, US County Business Patterns
Analysis: Wahlstrom & Associates
Note: Employment counts do not include government and agricultural jobs

¹ See Appendix A, Table A-1 for Journey to Work estimates
² US County Business Patterns reports 528 private sector employers located within zip code 94044
Approximately 65 percent of Pacifica’s business establishments employ fewer than five workers, and 85 percent of establishments have 10 or fewer employees. The average Pacifica business employs 8.3 workers.\(^3\)

### 2.1 Employment Trends in Pacifica and the Region

Pacifica’s economy suffered during the recession, with 400 jobs lost between 2006 and 2010—nearly all of the jobs lost were in the tourism industry. However, the economy is recovering well with 260 new jobs created in the health, professional, and business service sectors between 2010 and 2011. Tourism is making a gradual comeback, but the addition of more low wage retail, personal service and tourism jobs will not fundamentally alter Pacifica’s economy.

Approximately 260 new private sector jobs were created in Pacifica between 2010 and 2011, and as with the rest of the San Francisco/Silicon Valley region, the local economy is back on the rebound following the end of the great recession in 2009. Pacifica’s 6.4 percent annual growth rate nearly tripled San Mateo County’s employment growth rate with health care, professional and business service sectors generating 75 percent of the new jobs.\(^4\)

Both the regional and local economy were impacted significantly during the recession period between 2006 and 2010 when Pacifica suffered a net job loss of 400 jobs, which was led by the loss of 480 leisure and hospitality industry jobs. Clearly, the recession hit the tourism industry very hard as fewer visitors stayed overnight in the local hotels, and fewer daytime outdoor recreation visitors purchased products and services in Pacifica.

Overall, Pacifica’s economy added 600 jobs between 2000 and 2006, during the time when San Mateo County and Silicon Valley were severely affected by the dot.com bust and its secondary impacts on the regional economy. Pacifica lost 200 wholesale trade jobs and 60 retail jobs, which were counterbalanced by a gain of 340 leisure and hospitality jobs, 300 health care jobs and 210 other service jobs.

**Regional Employment Trends**

The economy has experienced a slow recovery since the Great Recession as California’s employment expanded at a relatively slow 0.9 percent growth rate between 2010 and 2011. San Mateo County did quite well during the same time period creating 7,500 new jobs that represented an annual growth rate of 2.4 percent (see Figure 2). Jobs in Santa Clara County expanded at a 2.7 percent annual growth rate, while the San Francisco employment base expanded at a 1.7 percent growth rate.

---

\(^3\) See Appendix A, Table A-2 for Firm Size data

\(^4\) See Appendix A, Table A-3 for Pacifica employment trends data
FIGURE 2

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>Growth Rates</th>
<th>New Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Mateo</td>
<td>315,000</td>
<td>322,500</td>
<td>2.4%</td>
<td>7,500</td>
</tr>
<tr>
<td>San Francisco</td>
<td>518,300</td>
<td>525,800</td>
<td>1.4%</td>
<td>7,500</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>846,200</td>
<td>869,000</td>
<td>2.7%</td>
<td>22,800</td>
</tr>
<tr>
<td>California</td>
<td>14,319,500</td>
<td>14,445,700</td>
<td>0.9%</td>
<td>126,200</td>
</tr>
</tbody>
</table>

Data Source: California Employment Development Department
Analysis: Wahlstrom & Associates

Essentially, job creation has resumed in San Mateo County, and Pacifica possesses the opportunity to capture a share of future growth if the right types of commercial space are available to match the demand for growth. Unfortunately, the relatively limited inventory of vacant and available business space constrains Pacifica’s business attraction efforts.

2.2 WORKFORCE CHARACTERISTICS

The consulting team reviewed the available workforce data and completed a local business survey, which yielded the observations below about Pacifica’s workforce:

- 50 percent of Pacifica’s business establishments hired new workers this past year;
- Half of the firms hired new employees to expand business operations; the other half were hired for employment turnover reasons;
- Half of the employers found new employees via word of mouth; 25 percent found new employees via Internet job boards or Craig’s list and 10 percent used local advertising such as the Pacifica Tribune;
- Employer hiring difficulties included: Relatively low wages offered did not attract applicants (22%), applicants were not work ready (15%), applicants need more computer or technology skills (10%), and lack of public transportation (5%); and

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5 The Pacifica Chamber sent out at least three email blasts encouraging members to respond to the on-line survey and 41 responses were submitted
Workforce retention improvements could be facilitated as follows: better connection with training programs (24%), better connections to Community Colleges and local schools (22%) and more local job fair forums (17%).

The formal education levels completed by Pacifica residents are comparable to elsewhere in San Mateo County and throughout California. More than 40 percent of Pacifica’s adults have not completed high school. One-fourth of residents are college graduates and 13 percent completed a professional or advanced degree.6

More than 72 percent of Pacifica residents (16 years or older) participate in the labor force compared to 65 percent of California residents.7 Pacifica residents also have lower unemployment rates than elsewhere in the County as the jobless rate recently declined to 5.8 percent.8

### 2.3 Demographic and Income Trends

Pacifica’s population growth rate is stagnant as a result of the large amount of open space and the community’s resistance to approving new housing starts. The growth rates are very similar to the fully built out Daly City, and much slower than other San Mateo County communities where land, available commercial space, and increased density are possible.9

Pacifica’s demographics are less diverse than elsewhere in San Mateo County and California. More than 55 percent of Pacifica residents are Caucasian, and the City has a lower percentage of Hispanics, Asians and African Americans than elsewhere in San Mateo County.10

Pacifica has no significant age characteristics that differ from San Mateo County demographics. The City’s population is slightly older than the California average.11

Pacifica enjoys a relatively high household income average of $105,000—25 percent higher than California’s household income and higher than San Francisco incomes.12 Higher disposable income is good

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6 See Appendix A, Table A-4 for data on educational attainment
7 Persons not in the labor force include retired, disabled, homemakers, students and discouraged workers that are no longer seeking work. See Appendix A, Table A-5 for labor force characteristics data
8 See Pacifica Patch. “Coastside” Unemployment Rates Drop Sharply.” May 18, 2013
9 See Appendix A, Table A-6 for population growth data
10 See Appendix A, Table A-7 for population by ethnicity data
11 See Appendix A, Table A-8 for population by age data
12 See Appendix A, Table A-9 for income data
news for local retailers, but only if products and services offered appeal to residents. Local businesses must compete in a regional economy where residents are mobile and may easily travel out of town if local business products and services are inadequate or too costly.

However, it is important to note that the real value of household incomes have been in decline since 2000, with no end in sight to the decline. The income declines were caused by the dot.com bubble in the early 2000s, the great recession of 2007 to 2009, and the general decline and re-structuring of the US economy.

* * *
3. Economic Development Strengths

Interviews with community stakeholder identified Pacifica’s economic development strengths, which are summarized in the Figure 3 and described below with more detail.\textsuperscript{13}

\begin{itemize}
  \item Proximity To Downtown San Francisco, Silicon Valley, and San Francisco International Airport
  \item Good Schools and Low Crime Rates
  \item Successful Entrepreneur Residents
  \item Strong Household Income
  \item Presence of Local Newspapers and On-Line News Sources
  \item Public Beaches and Pacific Ocean access
  \item Great Hiking, Biking, and Outdoor Recreation
\end{itemize}

\textbf{Proximity to Downtown San Francisco, Silicon Valley, and San Francisco International Airport}

Pacifica enjoys an ideal location that has attracted high net worth residents capable of purchasing a home with ocean views located within a short commute from downtown San Francisco, a 20-minute drive from the airport, and a one-hour drive from Silicon Valley. The City’s location has successfully attracted the owners and executives of high technology, entertainment and social media, and biotechnology firms that have formed business clusters in South San Francisco, Silicon Valley, and the Mission Bay area of San Francisco.

\textbf{Good Schools and Low Crime Rates}

Good schools and low crime rates contributes to the attractiveness of Pacifica as a place to live and do business. The most recent education reports show that the public schools in Pacifica possess test scores well above the averages for San Mateo County and the State of California.\textsuperscript{14} The latest data also documents Pacifica’s very low crime rates.\textsuperscript{15}

\textsuperscript{13} Stakeholders interviewed include Steve Rhodes, George White, Anne Ritzma, Vasu Narayanan, Courtney Conlon, Len Stone, Mike O’Neill, Mary Ann Nihart, Karen Ervin, Tom Clifford, Sue Vaterlaus, Anne LeClair, Julie Mazetti, Chuck Gust, Mike Ervin, Victor Spano, Sam Casillas, Ron and Sheryl Calson, Jim Heldberg, Sue Digre, Javier Chavarria, Mary Brown, Marty Cerles, Jim Wagner, Mark Stechbart and Frank Vella.

\textsuperscript{14} Source: Pacifica Patch. April 30, 2013. STAR tests indicate that 71\% of Pacifica’s English/Language Arts students earn a 71 percent of proficient or advanced test scores compared to 66 percent of San Mateo County students. Sixty-seven percent of Pacifica students earn proficient or advanced history scores compared to 58 percent of County students. Sixty-eight percent of Pacifica students earn proficient or advanced math scores compared to 60 percent of County students. Seventy seven percent of Pacifica students earn proficient or advanced math test scores compared to 66 percent of County students.

\textsuperscript{15} Data indicates that violent crimes are well under half the national rate (55\%), and property crimes amount to only 32\% of the national average. Data source: Cityrating.com, April 30, 2013
Successful Entrepreneur Residents

A number of high net worth entrepreneurs with technology industry success have decided to live in Pacifica to be near the ocean, and to take advantage of the City’s strategic location and convenient access to the regional economy and less expensive housing prices. Technology entrepreneurs currently work out of their homes, in small offices, or they commute to other locations in the regional economy. Some of these individuals seek to create new enterprises and would consider Pacifica a desirable business location if suitable Class A office and laboratory space existed or could be developed.

Strong Household Incomes

Pacifica possesses an average household income of $107,700—higher than average household incomes in San Francisco and throughout the Bay Area, which average $102,000. This relatively high average household income translates into a strong capacity to purchase retail products and food services at the local restaurants and bars.

Presence of Local Newspapers and On-Line News Sources

The presence of local newspapers, online publications, and blogs that discuss community events and public issues convey a positive image that helps make Pacifica a destination as a place to live and do business.

Public Beaches and Pacific Ocean Access

Access to the Pacific Ocean is a significant contributor to positioning Pacifica as a desirable place to live, work, and visit. Homes within walking distance of the beach, or with a view of the ocean, retain relatively high values and businesses located near the ocean are an attractive place to work. In addition, the ocean and the public beaches anchor Pacifica’s tourism industry, attracting recreational visitors for the bike and walking trails, swimming, and surfing and fishing at the Pacific Pier even though few businesses take advantage of these assets. The hotels are within walking distance from the ocean and a number of restaurants offer views of the ocean.

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16 Data from the Association of Bay Area Governments (ABAG)

17 The Pacifica Tribune is a weekly publication that can be picked up in various locations around town. The Pacifica Patch is a chain publication with daily local stories. The Fix Pacific blog (http://fixpacifica.blogspot.com/) and the Pacifica Riptide blog (http://www.pacificariptide.com/) are dedicated to community affairs. The Patch is a national on-line chain news source with a Pacifica branch outlet.
Great Hiking, Biking, and Outdoor Recreation

Approximately 47 percent of Pacifica and the surrounding Sphere of Influence is comprised of dedicated open space with recreational opportunities for residents and visitors. Sweeney Ridge, Milagra Ridge, and Mori Point offer hiking trails that wind through and around the City. Sharp Park, anchored by the heavily played Alister MacKenzie designed golf course, also includes a rifle/archery range and additional open space.

* * *

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18 Data source: Pacifica General Plan Update
4. Business Attraction Potential

Pacifica stakeholders aspire to create a more diversified local economy, but there is no desire or intention to transform the community into a major employment center that would compete with Daly City and other San Mateo County communities with large employers engaged in software production, entertainment and social media, biotechnology, or other emerging industries. Technology start-up companies that would employ 50 or fewer people fit the profile of a business attraction target in alignment with Pacifica’s character of a recreational beach town. This would contribute to the City’s fiscal base, and add to the daytime population available to spend part of their disposable income at local restaurants, service businesses, and retail stores.

Pacifica’s potential to capture new technology start-up investment is limited because the City lacks high quality office and laboratory space typically required by companies; also, the vacant ground floor retail space and small professional office space does not adequately match the needs of start-up firms. While the business owners continue to reside in Pacifica, they ultimately locate their start-up firms in San Francisco, South San Francisco, San Mateo, and Santa Clara County where suitable commercial space exists.

4.1 Characteristics of Vacant Space in Pacifica

Pacifica has 87,700 square feet of vacant business space that city staff, elected officials and other economic development stakeholders have worked hard to fill during the past two years (see Figure 4). Half of the vacant space is concentrated in Eureka Square and Linda Mar Shopping Center. Another 16 percent is located in Rockaway Beach, 11 percent in the Fairmont Shopping Center, and the remaining vacant space is scattered throughout smaller commercial areas.

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19 Data collected from the City of Pacifica web site at: http://www.cityofpacifica.org/civica/filebank/blobdload.asp?BlobID=5632
Thirty empty ground floor office and/or retail vacancies with an average size of 2,100 square feet per space account for nearly three-fourths of Pacifica’s vacant space. None of the individual vacancies are larger than 4,500 square feet, which means there are no vacant anchor store spaces. The vacant ground floor spaces are generally in less traditional locations, unattractive to national or regional chain store retailers.

Seventeen empty professional or medical office suites accounting for 15,000 square feet of vacant professional or medical office space are available for lawyers, doctors, dentists, accountants, or other professional services. The vacant professional office space averages 900 square feet, with no suite larger than 2,000 square feet. The available space is only attractive to very small professional firms that employ a handful of people.

Five empty restaurant spaces account for 9,500 square feet of vacant space, with multiple sites possessing a favorable location and suitable physical characteristics.
4.2 RESTAURANT ATTRACTION POTENTIAL

Pacifica has the potential to take advantage of its great location, relatively high incomes, and the emerging consumer preferences for local and neighborhood serving restaurants and retailers. The City currently has 9,500 square feet of vacant restaurant sites within four business districts that can be actively marketed; and many restaurant spaces have recently turned over ownership, which presents new opportunities to establish Pacifica as a destination for great restaurants. In addition, the Beach Boulevard project will create a new waterfront location that can attract a destination restaurant.

4.3 RETAIL ATTRACTION POTENTIAL AND CONSTRAINTS

Pacifica lacks any available commercial space that can attract destination retail establishments. The available sites are unattractive, very small and not well located.. In addition, Pacifica retailers must compete with discount and big box stores located in Daly City and Colma, within a short drive of Pacifica as displayed in Figure 5. Long-term shopping patterns are well established and Pacifica leaks retail sales. Other retail attraction constraints are described below.

FIGURE 5
Inventory of Big Box Retail Surrounding Pacifica

<table>
<thead>
<tr>
<th>Stores</th>
<th>Address</th>
<th>City</th>
<th>Driving Distance from Pacifica (miles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td>133 Serramonte Center</td>
<td>Daly City</td>
<td>5</td>
</tr>
<tr>
<td>Target</td>
<td>5001 Junipero Serra Blvd</td>
<td>Colma</td>
<td>6</td>
</tr>
<tr>
<td>Office Depot</td>
<td>307 Gellert Blvd</td>
<td>Daly City</td>
<td>6</td>
</tr>
<tr>
<td>Kohl's</td>
<td>1200 El Camino Real</td>
<td>Colma</td>
<td>6</td>
</tr>
<tr>
<td>Bed Bath &amp; Beyond</td>
<td>19 Colma Blvd</td>
<td>Colma</td>
<td>6</td>
</tr>
<tr>
<td>Home Depot</td>
<td>2 Colma Blvd</td>
<td>Colma</td>
<td>6</td>
</tr>
<tr>
<td>Home Depot</td>
<td>91 Colma Blvd</td>
<td>Colma</td>
<td>7</td>
</tr>
<tr>
<td>Best Buy</td>
<td>200 Colma Blvd</td>
<td>Colma</td>
<td>7</td>
</tr>
<tr>
<td>Home Depot</td>
<td>303 E. Lake Merced Blvd</td>
<td>Daly City</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Pacifica General Plan: Retail and Tourism Market Assessment. May 7, 2009
Lack of Anchor Store Retail Sites

Pacifica does not currently contain any of the traditional 5- to 10-acre sites that big box retail stores such as Target, Office Depot, Kohl’s, Home Depot, Best Buy, Bed Bath & Beyond, and others require. The lack of available sites for big box retail is a significant obstacle to expanding commercial activities beyond neighborhood centers.

Pacifica Retailers Serve Neighborhoods and not the Entire City

Pacifica is defined by distinct neighborhoods and commercial shopping centers scattered along a five-mile stretch of Pacific Highway 1. Characteristics of Pacifica’s prominent shopping districts are as follows:

- The Pacific Manor shopping center, anchored by Safeway, is well located to serve the northern neighborhoods adjacent to Daly City and Skyline Boulevard.
- Eureka Square serves neighborhoods between Paloma Avenue and Sharp Park.
- Rockaway Beach attracts both visitors and residents with its beachfront hotels; a walkable, inviting streetscape; and the destination restaurant Nick’s. The area is a natural visitor destination characterized by appealing architecture and an attractive beachfront. Although Rockaway Beach lacks a surrounding residential neighborhood, a weekly farmer’s market attracts customers from throughout the City.
- The Linda Mar Shopping Center, also anchored by Safeway, is very successful and generates the highest shopping center lease-rates in the City.

Small Daytime Population and Limited Consumer Spending

Pacifica’s daytime population is reduced to fewer than 30,000 people during each weekday, which is significantly less than the current estimates of 39,000 full-time residents. Approximately 13,700 Pacifica residents commute to other employment centers, taking a portion of their retail sales with them to commercial areas located near work. Conversely, only 2,300 people commute into and work in Pacifica each day. This net outflow of commuters leaves local businesses with limited opportunities to capture sales during the week, as local businesses become reliant on sales from weekday evenings, and weekends when day visitors to recreate at the ocean or enjoy the hiking and biking trails.

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20 Source: Pacifica General Plan Update: Retail and Tourism Market Assessment; May 7, 2009. See Table 2
Unattractive Architecture and Urban Design

The Highway 1 commercial centers of Pacific Manor, Vallemar, Linda Mar, and Pedro Point suffer from a lack of distinct, inspiring architecture, as well as a sprawling unattractive urban design that fails to attract visitor spending. This leaves the individual business tenants to rely on local spending for sales.

Irregular Business Hours

A number of small retail and service business establishments operate on a part-time basis with irregular business hours, which is inconsistent with the management practices of neighboring business areas. When potential customers visit a local business and the establishment is closed, they are likely not to return. Closing a business in the middle of the day or on days that may be unexpected for a consumer (like Tuesdays) discourages the customers that want certainty about business operations hours. The problem seems to be particularly acute in Rockaway Beach and other smaller commercial areas. Irregular business hours are not as prevalent at other shopping centers like Pacific Manor, Linda Mar, and other established shopping centers whose businesses operate on a more predictable schedule of hours.

4.4 Potential to Attract Recreation Businesses

Pacifica could attract more recreational businesses that take advantage of the oceanfront access, open space and other environmental assets. Recreational business attraction targets could include beach equipment rental establishments, surf shops, kayak rentals, fishing supplies and similar retail stores.

* * *
5. Potential To Develop New Business Space

Technology business start-ups require adequate space that is ready to be occupied because of short “time-to-market” needs. New business start-up targets that often need new laboratory or class A office space do not have the time to navigate a lengthy real estate development approval process. Within this context, Pacifica’s efforts to capture pent-up demand for new research and development space will most likely be developed within the eight economic development opportunity sites identified in Figure 6. The successful development of one or more opportunity sites that attract new workers will have the important secondary impact of filling smaller open spaces and naturally reducing vacancy in more difficult, smaller properties.

5.1 CONSTRAINTS TO DEVELOPING NEW BUSINESS SPACE

The lack of attractive business space rather than demand that is the key factor in driving the City’s economic future. The constraints and challenges to developing new business space in Pacifica are described below.

Resistance to Developing New Business Sites

A well-organized group of Pacifica residents and stakeholders are resistant to land use change, which increases the difficulty, cost, and time necessary to develop vacant and/or underutilized sites. Citizen activist groups possess the strength to disrupt development plans regardless of whether development sites are properly zoned for business uses, as evidenced by past opposition to developing the Quarry and the Calson property.

New Development West of Pacific Highway 1 Must be Consistent with the Local Coastal Plan

The potential development of any privately owned land west of Highway 1 must be consistent with the City’s General Plan requirements and the Local Coastal Plan. Proposed projects that do not conform to the Local Coastal Plan can be challenged and disallowed by the California Coastal Commission. In general, the Local Coastal Plan will only allow real estate development projects that encourage recreation and public access of the coastline. Proposals that do not conform to the LCP can be modified or approved by the Coastal Commission and the City of Pacifica.
Lack of City Staff Capacity and Fiscal Resources to Facilitate Economic Development

The City of Pacifica currently has very little capacity to initiate and implement economic development projects and programs. The City Manager functions as the economic development staff person, with very little available time to initiate and assist new initiatives. The lack of an economic development staff person limits Pacifica’s capacity to advocate for business interests, encourage business friendly governmental practices, and engage in public/private partnerships.

Many cities assist private development projects with a public purpose by using public/private partnerships to fund off-site improvements that may enhance the project, mitigate traffic, or provide other types of community improvements. Proposed projects can also be fast-tracked by an expedient public review process that reduces pre-development costs, and improves predictability and speed to market.

Absentee and Disengaged Commercial Property Owners

The owners of key sites that could be developed or redeveloped are not engaged with the City, and it is virtually impossible to develop new business space without property owner support. The Eureka Square property owner may be interested in converting the site to a residential use, but has so far displayed no interest in filling the commercial vacancies or developing a mix of uses. The potential development of the Quarry site, which is currently for sale, requires voters to approve any new proposed housing. The potential development of mixed uses in the Manor Square shopping district is constrained by the fractured ownership of multiple property owners with disparate business goals.

Poor public transit connections to San Francisco and the region

Pacifica is a car-oriented community that lacks adequate public transit to other locations in the region. Cars are required by employees to commute to work because of the challenges in accessing bus transit and BART connections to reach the final destination. The lack of convenient access to the regional transit network by the regional labor force reduces the potential labor force and the desirability of Pacifica as a business location.
5.2 Vacant and Underutilized Sites

The potential development of the vacant and underutilized sites described below and summarized in Figure 6 could contribute to accomplishing the goal of building new business space that captures a share of San Mateo County’s new jobs.

The Quarry

Pacifica’s most desirable undeveloped site is an 87-acre former limestone quarry adjacent to Pacific Highway 1, near Rockaway Beach and the GGNRA Mori Point Reserve. The site’s location west of Pacific Highway 1 requires that development plans be consistent with the City of Pacifica’s General Plan and the Local Coastal Plan.

In 1983, the residents of Pacifica voted to require any residential development plans at the Quarry to be approved by a public vote. Two proposals to develop housing and other commercial uses have been rejected by voters since 2000, and the most recent proposal to develop a new hotel; 355 residential units; and a town center of boutiques, restaurants, galleries, and office space was defeated by 452 votes in 2006, a 49 to 51 percent election.

Consequently, the lender that owns the site (Ambit Funding LLC) is seeking to sell the property and pass on the land development challenges to a new owner. It is possible that the public may support the development of a new master plan, depending on the proposed land-use mix and design. Further, the planned improvements of Pacific Highway 1 may also mitigate concerns with potential traffic impacts associated with new development that have previously been a point of objection by the community.

Calson Site

A privately owned 5.3-acre vacant site adjacent to Pedro Point Shopping Center near the beach is a prime candidate to be developed for new business space. The site’s location west of Pacific Highway 1 would require development plans to be consistent with the City’s General Plan and the Local Coastal Plan.

The property owner desires to develop the site for low-density residential while retaining some open space for a park. However, the property is not currently listed for sale, and no formal development plan or master plan has been submitted to the City for approval. The owner is willing to consider a public/private partnership in order to address neighborhood concerns while allowing for some development, but the Pedro Point Community Association (PPCA) established the position that the respective site should be used for its current zoning of commercial
recreation and has declared their intention to oppose residential and other non-recreational uses.

**Shamrock Ranch**

The third significant undeveloped land parcel is located near Sweeney Ridge outside the City limits, and any plan to develop new business space will require the property to be annexed into city. The owner plans to continue ranching on this site, and the long-term vision to transform the site into a campus is solely a conceptual idea at this time. Any future owner that wants to develop this site would have to address the potential traffic impacts associated with future business uses on this site. The property owner should be contacted to determine future plans for the site.

**Beach Boulevard**

The City of Pacifica has proposed development of a 36,500 square-foot public library, a 75-room boutique hotel, a 4,500 square foot waterfront restaurant, and up to 84 attached residential units on the 3.5 acre former Sharp Park Wastewater Treatment Plant. The Draft EIR reflects a substantial amount community support for the proposed mix of land uses.

However, Public funding for the library will rely on issuing a bond that must be approved by two-thirds of voters. In addition, the City intends to solicit proposals from private investment partners with the resources to implement the proposed project. A RFQ/RFP to develop the other proposed uses should be released prior to 2014.

**Palmetto Avenue Corridor**

The Palmetto Avenue Corridor includes the Beach Boulevard site, extending approximately one mile between Paloma Avenue and Clarendon Road, abutting the border of Sharp Park Golf Course. The corridor is well positioned to attract investment in new professional office space that would have minimal traffic and parking impacts on the surrounding residential areas. In addition, several smaller infill sites with the potential to be developed into new commercial, residential, or mixed-use space are located along the corridor.

The City is committed to improving the corridor by placing the utilities underground. Additional plans have been established to improve and widen sidewalks; install new streetlights; add street furniture such as benches and wastebaskets, decorative planters and trees; and improve signage; all of these will be completed in phases. The Palmetto Business Association is organized to support the District and advocate for its success. The successful implementation of the Beach Boulevard project could attract new investment in smaller infill sites.
The corridor’s revitalization is constrained by the absence of a destination business or cluster of services capable of attracting customers to stop, walk, shop, and dine. In addition, the available infill sites also lack the size to support Class A office or laboratory space capable of attracting business and technology start-up companies.

**Eureka Square Shopping Center Revitalization**

The 80,000 square foot shopping center anchored by Oceana Market is not centrally located to many Pacifica neighborhoods and lacks good highway visibility. The shopping center suffers from a 31 percent vacancy rate, with approximately 25,600 square feet available to new tenants despite the success of the Oceana Market as an anchor tenant. Most of the vacancies include small retail spaces sized at less than 2,000 square feet.

The anchor tenant and other community stakeholders have established a vision to revitalize Eureka Square with increased commercial space, as well as new residential units and reduced parking. It may be possible to build the Class A office or laboratory space at Eureka Square, but the site’s relatively isolated location and lack of amenities may discourage new investment in a costly real estate project. The property owner’s lack of availability and vision remains the primary constraint to redeveloping the site to higher and better uses.

**Pacifica Manor Shopping Center**

Pacifica Manor is a strategically located shopping district, situated at the first exit off Pacific Highway 1. Safeway anchors the shopping center, and the surrounding area includes a Walgreens, a post office, and other commercial services.

Each building within the shopping district is individually owned, and multiple property owners create challenges in collaborating on common improvements. Previous efforts to upgrade the architecture, signage, facades, and physical appearance of the commercial district have failed because of the inability of tenants to form an agreement on the improvements. However, some community stakeholders hold a long-term vision of fostering increased density in the commercial district, with a mix of residential and commercial uses, through the redevelopment of key sites. In the short-term, the commercial area enjoys strong business sales, so there is no financial incentive to make improvements.

**City Corporation Yard**

The City Corporation Yard is located on Oceana Boulevard between Avalon and Milagra Drive, adjacent to a church and homes directly behind the site. The Corporation Yard includes buildings for the Engineering and Public Works Department. A number of stakeholders
have advocated that the City should relocate the Corporation Yard activities to an alternative site, which may allow the City to be sold for new private commercial development. However, the numerous constraints that impede this strategy are summarized below:

- The lack of an alternative Corporation Yard site(s);
- Complexities in the public/private partnership transaction;
- Property sale and relocation efforts that may not be financially feasible for the City to accomplish;
- The site may not be attractive to developers of Class A office or laboratory space due to the lack of surrounding amenities; and
- Sale of the City-owned site would most likely result in the expansion of general commercial space, which is readily available in Pacifica.

**Former Pacifica Lumber Company Site**

The former lumber company is a highly visible site two-acre site east of Highway 1, located between Rockaway Beach and the Vallemar Center. The site contains 7,500 square feet of leasable space that is easily accessed by Pacific Highway 1 northbound travelers.

Some Pacifica stakeholders envision the restoration of the former lumberyard into a viable commercial retail site. However, the current owners use the site to store construction equipment, and have no plans to resume retail operations, sell the property, or attract new retail tenants.
### FIGURE 6
Pacifica’s Economic Development Sites and Opportunity Areas

<table>
<thead>
<tr>
<th>Vacant Land Sites</th>
<th>Area and Site Description</th>
<th>Land Development Status</th>
<th>Land Development Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quarry Site</strong></td>
<td>87-acre limestone quarry adjacent to Pacific Highway 1 near Rockaway Beach and the GGNRA Mori Point Reserve</td>
<td>Property is currently for sale and owned by the lender (Ambit Funding LLC) who has no plans to develop the site</td>
<td>New housing cannot be developed without a vote of citizens, consistent with a 1983 action by voters</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Planned improvement of Pacific Highway 1 would improve access and reduce potential traffic impacts</td>
<td>Two land development proposals were closely voted down since 2000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Development can be phased and incrementally implemented to adjust to market conditions</td>
<td>Attitudes are changing and citizens may be more supportive of a new land development plan, depending on the land use mix and design</td>
</tr>
<tr>
<td><strong>Calson Site</strong></td>
<td>5.3 Acres of undeveloped land with beach access adjacent to Pedro Point Shopping Center</td>
<td>The property owner has prepared a concept plan to develop the site for low density residential while retaining some open space for a park. No formal development plan or master plan has been submitted to the City for approval</td>
<td>Pedro Point Community Association (PPCA) prefers the site to be used for commercial recreation, and they will oppose any uses not considered commercial recreation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other scenarios have been proposed and the land owner is open to a public/private partnership to facilitate development, but the property is not on the market at this time</td>
<td>The site is currently an unspecified land designation in the General Plan, making development unpredictable</td>
</tr>
<tr>
<td><strong>Shamrock Ranch</strong></td>
<td>Rural, large parcel currently used for ranching activities could potentially be developed into an education or technology campus</td>
<td>Transforming this site into a campus is a conceptual idea at this time</td>
<td>Parcel is isolated, with limited access through established residential neighborhoods</td>
</tr>
<tr>
<td></td>
<td>Property located outside the City Limits but within the Sphere of Influence</td>
<td>The property must be brought into the City before development can proceed</td>
<td>New development would have to address traffic impact concerns and zoning limitations</td>
</tr>
</tbody>
</table>
### FIGURE 6 (continued)
Pacifica’s Economic Development Sites and Opportunity Areas

<table>
<thead>
<tr>
<th>Underutilized Sites</th>
<th>Area and Site Description</th>
<th>Status of Revitalization Efforts</th>
<th>Revitalization Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beach Boulevard</td>
<td>Former Wastewater Treatment Plant proposed to be redeveloped for a library, hotel, waterfront restaurant and housing</td>
<td>Initial planning effort was completed with community support for the land use mix Draft EIR completed</td>
<td>City has yet to identify one or more partners that will privately invest in the redevelopment initiative. Public funding must be secured for the library and other public improvements Finalizing the EIR will provide predictability in the entitlement process that should activate the desired development outcomes</td>
</tr>
<tr>
<td>Palmetto Avenue Corridor</td>
<td>Palmetto Avenue Corridor extends between Paloma and Clarendon, and includes the Beach Boulevard site</td>
<td>Construction has started on undergrounding utilities in the core area of the district Plans are in place to improve and widen sidewalks; install new streetlights; add street furniture such as benches and waste baskets, decorative planters and trees; and improve signage, which will be completed in phases Palmetto Business Association is organized to advocate for the district’s business success Successful redevelopment of Beach Boulevard could attract additional investment in smaller infill sites available for new commercial or mixed use development</td>
<td>The corridor lacks a destination business or cluster of services that will attract customers to stop, walk, shop or eat Limited parking options constrain revitalization initiatives Fractured ownership makes a unified vision difficult Some corridor area businesses are located in unattractive facilities that should be redeveloped for higher and better uses</td>
</tr>
<tr>
<td>Eureka Square Shopping Center</td>
<td>80,000 SF of built space anchored by Oceana Market and US Bank 31% vacancy rate</td>
<td>Anchor tenant and other community stakeholders have a vision to revitalize the existing buildings, reduce parking, build more commercial space and add residential units No plans or development proposals have been prepared to redevelop the site</td>
<td>Property owners are reclusive. They lack a vision to improve the site</td>
</tr>
</tbody>
</table>
## FIGURE 6 (continued)
Pacifica's Economic Development Sites and Opportunity Areas

<table>
<thead>
<tr>
<th>Underutilized Sites</th>
<th>Area and Site Description</th>
<th>Status of Revitalization Efforts</th>
<th>Revitalization Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacifica Manor Shopping Center Area</td>
<td>The strategically located shopping center is anchored by Safeway with each building owned by individual owners. The surrounding area comprises a whole shopping district that includes a Walgreens, a post office and other commercial services.</td>
<td>Key community stakeholders have a vision to create more density and mixed uses in this area. Past efforts to improve signage and facades failed due to a lack of agreement among business tenants.</td>
<td>Business sales in this area are strong, and there is no incentive to change what is working well. Multiple property owners makes it difficult to collaborate on common improvements and to redevelop for more intensive mixed uses.</td>
</tr>
<tr>
<td>City Corporation Yard</td>
<td>City owned Corporation Yard includes the Public Works and Engineering buildings located along Oceana Boulevard between Avalon and Milagra Drive. A church and residences are located directly behind the site.</td>
<td>Key stakeholders advocate the sale of the Corporation Yard, and relocation of its activities to another site, which could free up the City owned property for new private commercial development.</td>
<td>No alternative Corporation Yard site has been identified. Relocating the Corporation Yard will be a complex transaction requiring a public/private partnership. The transaction may not be financially feasible for the City to accomplish. It is unlikely that the location would be attractive to developers of Class A office or laboratory space due to the lack of surrounding amenities.</td>
</tr>
<tr>
<td>Former Pacifica Lumber Company Site</td>
<td>Two acre site with 7,500 square feet of buildings east of Highway 1 between Rockaway Beach and the Vallemar Center. Location gets significant traffic visibility with vehicle access along Pacific Highway 1 north.</td>
<td>Key stakeholders in Pacifica envision the lumber yard to be restored as a viable commercial retail site. Property was foreclosed and the current owners are using the site to store construction equipment.</td>
<td>Current owners have no plans to resume retail operations, sell the property or attract new retail tenants.</td>
</tr>
</tbody>
</table>
6. Pacifica’s Tourism Industry

Tourism is an important component of Pacifica’s economy. Available data indicates that visitors to San Mateo County spend $2.5 billion per year on car rentals, gas, restaurants and bars, lodging, arts, entertainment, recreation, retail sales, and food stores. Visitor spending seriously declined during the recession but has rebounded since 2010. The County’s tourism industry generated approximately 34,500 jobs, or nearly 11 percent of the job base.\(^{21}\)

Pacifica attracts a niche of visitors engaged in weekend recreation activities, and/or to enjoy the area’s aesthetic beauty. The majority of Pacifica visitors are day travelers that reside in San Francisco or other San Mateo and Santa Clara County locations. Often, coastal visitors travel down the coast and stop in Pacifica, Half Moon Bay, or the more remote San Mateo County State beaches.

Linda Mar Beach is very attractive to both beginning and advanced surfers. The Pacifica Pier offers a unique fishing venue. San Pedro Park, Milagra Ridge, Mori Point, Sweeney Ridge and other GGNRA open space areas attracts bikers, hikers and runners.\(^{22}\) Sharp Park Golf Course logs 35,000 rounds of play per year, most of which are not played by residents of Pacifica.\(^{23}\)

No specific data is available for visitor spending in Pacifica. However, recent research indicates that National Park day trip visitors spend $50 per day, with $15 spent at restaurants and bars, $13 on gas, $10 on retail purchases, $7 on groceries, and $5 on recreation and entertainment. However, visitors to Pacifica’s GGNRA areas are likely to spend less than $50 per day in Pacifica because they are able to bring their own food and may not patronize local food stores, restaurants and gas stations like they would in an isolated National Park setting. Moreover, the lack recreation equipment businesses and souvenir shops will likely reduce retail spending that can be captured in Pacifica.

\(^{21}\) County tourism spending and employment data is published by the California Travel and Tourism Commission in the document titled: California Travel Impacts by County, 1992 – 2010, prepared by Dean Runyan and Associates

\(^{22}\) The National Park Services publishes annual visitations data to the Golden Gate National Recreation Area (GGNRA). The GGNRA attracts 14.9 million visitors each year, but this includes major destinations in Marin County and San Francisco. Marin County GGNRA destinations include Muir Woods, Marin Headlands, Stinson Beach and others. San Francisco GGNRA destinations include Alcatraz, Fort Point, the Presidio, and others.

\(^{23}\) Data published by the City and County of San Francisco in the document titled San Francisco Recreational Opportunities Study, August 2008 by Pros Consulting
6.1 Local Hotels

Pacifica has six hotels with 274 rooms serving regional visitors that are seeking access to the ocean and less expensive room rates than San Francisco. However, five hotels in Pacifica are also a destination for weekend visitors, four of which are located in Rockaway Beach. Holiday Inn Express at Rockaway Beach plans to add new rooms. The Pacifica Beach Hotel is located on the east side of Pacific Highway 1, but the rooms have a view of the Linda Mar Beach.

Pacifica hotels enjoy a strong 76 percent occupancy rate that earn a $150 per night average room rate (see Figure 7), and hotel guests contribute approximately $200 per night to the local economy.\(^{24}\) This means that overnight visitors staying in the local hotels contribute approximately $15 million per year to the local economy.\(^ {25}\) However, the hotels themselves capture 75 percent of spending from overnight visitors, leaving the restaurants, bars, recreational equipment companies, gas stations and retail stores to compete for the remaining $50 per day of spending—which will often be leaked to San Francisco.

---

**FIGURE 7**
Pacifica’s Hotel Industry Trends, 2009–2012

<table>
<thead>
<tr>
<th>Lodging</th>
<th>Rooms</th>
<th>Location</th>
<th>Average Daily Room Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas Best Value Inn</td>
<td>25</td>
<td>Palmetto</td>
<td>$115</td>
</tr>
<tr>
<td>Best Western Lighthouse Hotel</td>
<td>97</td>
<td>Rockaway</td>
<td>$174</td>
</tr>
<tr>
<td>Holiday Inn Express</td>
<td>38</td>
<td>Rockaway</td>
<td>$169</td>
</tr>
<tr>
<td>Pacifica Beach Hotel</td>
<td>52</td>
<td>Crespi</td>
<td>$150</td>
</tr>
<tr>
<td>Pacifica Motor Inn</td>
<td>42</td>
<td>Rockaway</td>
<td>$135</td>
</tr>
<tr>
<td>Sea Breeze Motel</td>
<td>20</td>
<td>Rockaway</td>
<td>$110</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>274</strong></td>
<td></td>
<td><strong>$150</strong></td>
</tr>
<tr>
<td>Occupancy Rates 2012</td>
<td>76%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy Rates 2011</td>
<td>66%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy Rates 2010</td>
<td>56%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy Rates 2009</td>
<td>56%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Data Sources:** City of Pacifica and Pacifica Chamber of Commerce

**Analysis:** Wahlstrom & Associates

**Notes:** Occupancy rates estimates combine the published TOT data with the room rate data provided by the Chamber

\(^{24}\) The San Francisco Travel Association reports that San Francisco hotel visitors spend $240 per night. Thus number is adjusted down to $200 per night in Pacifica because of lower room rates. In addition, San Francisco hotels have an 82 percent occupancy rate and earn $200 per night average room rates.

\(^{25}\) $200 per night of spending by visitors that occupy 208 hotel rooms amount to $15.2 million of economic impacts.
6.2 SPECIAL EVENTS

The annual Fogfest that attracts up to 50,000 people per day is a two-day special event that transforms Pacifica into a regional visitor destination during the last weekend of September. The festival includes a community parade, arts and craft booths, food and various contests plus three music stages that host up to six bands playing on each stage.

6.3 HISTORICAL SITES

The Historical Society provides residents and visitors with educational activities related to the region’s extensive history. They organize quarterly special events featuring local history-themed productions, and they raise funds to preserve the local historical sites described below. To date, the historical sites remain a community asset, but they have thus far produced minimal economic benefits to nearby restaurants, hotels and businesses.

- The Sanchez Adobe was built in the 1840s to be used as a hunting lodge, packing shed, farm laborers quarters, bordello, and speakeasy. The structure is a classic example of Monterey architecture, and is currently open to public visitations during limited hours.

- The Little Brown Church was built in 1910 as Pacifica’s first church. The City bought the site located next to City Hall, and leases it back to the Pacifica Historical Society.

- Sam’s Castle was built in 1908 and modeled after the childhood home of a rail baron’s wife in Scotland. A 20th Century Fox executive purchased the castle, restored the facility in 1959, and filled it with arts and antiques. The Pacifica Historical Society occasionally opens the castle for public tours.

6.4 MARKETING INITIATIVES

The Pacifica Hotel Improvement District generates $65,000 per year of funding to promote the hotels, and the City contributes another $10,000 per year to provide visitor services. The City and the BID both contract with the Pacifica Chamber of Commerce to administer these funds. The Chamber utilizes these funds by managing a visitor center at Rockaway Beach, producing an attractive map, managing a website with information about Pacifica’s attractions, and engaging in other marketing and promotional activities. The Chamber also promotes special events, plans to develop some smart phone visitor applications, and engages in other promotional activities such as going on public radio shows and hosting media events intended to market Pacifica as a visitor destination.
Pacifica’s 12 percent Transit Occupancy Tax rate generates more than $1 million per year of revenue for the City, but the ongoing fiscal problems constrain the City’s capacity to expand the amount of funding available to market Pacifica as a visitor destination with attractive restaurants, surf shops, and other commercial businesses.

* * *


7. Economic Development Action Plan

The economic development action plan describes seven economic development objectives along with 35 recommendations and the timing to implement the objectives and recommendations. Collectively, the recommendations, which are summarized in Figure 8 and described in more detail below present a plan of action that can help Pacifica diversify the local economy and improve the City’s fiscal sustainability.

The recommendations are intended to help Pacifica take advantage of its terrific location in one of the most dynamic regional economies in the United States, and make some fundamental change to its local economic base by encouraging the establishment of new technology and software start-up firms that generate high paying jobs that will make a positive fiscal contribution.

Without a plan to develop new business space that meets the requirements of technology start-up firms, Pacifica’s economy will continue to underperform. Low wage retail, personal service and tourism jobs will continue to dominate, and opportunities to attract a share of regional investment in software, biotechnology or other tech sectors will be lost. Overcoming local opposition to land use change is critical to the City’s economic success and fiscal sustainability.

**FIGURE 8**
Summary of Economic Development Objectives and Recommendations

<table>
<thead>
<tr>
<th>ECONOMIC DEVELOPMENT OBJECTIVES</th>
<th>RECOMMENDATIONS</th>
<th>TIMING</th>
</tr>
</thead>
</table>
| Generate Citizen’s Support to Expand the City’s Economic Development Capacity | • Pacifica’s economic development goal should be to diversify the local economy and improve the fiscal sustainability  
• Prepare a General Plan Economic Development Element and complete the General Plan Update  
• Hire a full time Economic Development Coordinator pending the availability of sufficient fiscal resources  
• Consider hiring a part-time economic development consultant if sufficient fiscal resources are not available to expand City Staff | • Goal can be adopted in the short term but must be sustained over the long-term  
• The Economic Development Element should proceed as soon as possible  
• Hiring an Economic Development Staff person or consultant is dependent on the City's fiscal conditions |
### FIGURE 8 (continued)
**Summary of Economic Development Objectives and Recommendations**

<table>
<thead>
<tr>
<th>ECONOMIC DEVELOPMENT OBJECTIVES</th>
<th>RECOMMENDATIONS</th>
<th>TIMING</th>
</tr>
</thead>
</table>
| 2 **Support Businesses Retention and Attraction** | ▪ Establish a business retention program  
▪ Partner with San Francisco Renaissance to offer business start up and management training for Pacifica entrepreneurs and small businesses  
▪ Study the feasibility of establishing a Pacifica micro-loan fund  
▪ Establish a Shop Pacifica campaign and/or affinity card, rewards program in partnership with the Chamber and independent merchants  
▪ Initiate a restaurant attraction effort  
▪ Attract new recreational businesses that capitalize on Pacifica’s oceanfront and other environmental assets  
▪ Organize a tour of vacant commercial spaces  
▪ Support unanticipated business attraction opportunities | ▪ Implementation may be delayed until the City hires an economic development staff person or a consultant. |

| 3 **Redevelop or Revitalize Key Opportunity Sites** | ▪ Partner with the Quarry property owner to plan a financially feasible land use mix with business space that the community can support.  
▪ Partner with the Calson property owner to plan a financially feasible land use mix that the community can support  
▪ Continue to implement the Beach Boulevard Redevelopment Plan  
▪ Support Eureka Square to be more intensely developed with a mix of residential and commercial uses  
▪ Encourage the former Pacifica Lumber Site owners to re-establish retail uses on the site | ▪ Implementation of the Quarry and Calson sites will take a long period of time dependent on the property owner’s willingness to invest and engage in a public planning process.  
▪ Implementation of the City owned Beach Boulevard site is proceeding as planned. A development partner should be selected prior to 2014  
▪ Implementation of Eureka Square and the former Pacifica Lumber yard site will be a long-term effort dependent on the property owner’s willingness to initiate improvements |

| 4 **Expand Funding to Promote Pacifica as a Visitor Destination** | ▪ The City and the Pacifica Hotel Business Improvement District (BID) should consider an additional assessment to supplement the $65,000 per year of annual revenues  
▪ The BID should be expanded to include restaurants, retail and other visitor serving businesses  
▪ The City should invest more funds to promote Pacifica as an overnight visitor destination (pending budget availability)  
▪ Tourism industry stakeholders should seek additional promotion and marketing services from the San Mateo County/Silicon Valley Tourism Improvement District | ▪ Within the next year  
▪ Additional funding from the City will depend on budget availability  
▪ Discussions with the regional TBID could begin immediately |
### FIGURE 8 (continued)
Summary of Economic Development Objectives and Recommendations

<table>
<thead>
<tr>
<th>ECONOMIC DEVELOPMENT OBJECTIVES</th>
<th>RECOMMENDATIONS</th>
<th>TIMING</th>
</tr>
</thead>
</table>
| Expand Lodging and Promote Pacifica as a Visitor Destination | ▪ Support proposals to expand the number of lodging rooms at appropriate locations  
▪ The City and the BID should offer matching grant funds to the hotels and other destination businesses engaged in visitor attraction  
▪ The City and BID funding should continue to produce the Pacifica map and the visitor information located on the Chamber of Commerce web site  
▪ City and BID should continue funding efforts to promote hotel stays during off-week and off-season periods. | ▪ Adjustments to Pacifica’s promotional efforts may take up to one year to implement.  
▪ Expanding lodging will occur on a case by case basis                                                                                   |
| Promote Rockaway Beach as Pacifica’s Primary Visitor Destination | ▪ Brand Rockaway Beach as a food and lodging visitor destination  
▪ Attract more visitor serving retail to Rockaway Beach  
▪ Attract new music and other special events to Rockaway Beach.  
▪ Incorporate Rockaway Beach into the annual Fogfest celebration and coordinate the events in a planned sequence to maximize attendance  
▪ Encourage visitor-serving retail to locate at Rockaway Beach  
▪ Work with local merchants to normalize business hours  
▪ Improve signage to attract new customers to Rockaway Beach | ▪ Branding Rockaway Beach as Pacifica’s visitor destination may take up to one year to implement.  
▪ Efforts to attract new special events and visitor serving retail to Rockaway Beach could begin immediately  
▪ Supporting expansion of lodging rooms are on a case by case basis                                                                 |
| Continue to revitalize the Palmeto Avenue Corridor | ▪ Complete infrastructure and streetscape improvements  
▪ Create a Palmetto Avenue Specific Plan to guide development  
▪ Reach out to businesses along the corridor to identify and address opportunities and constraints | ▪ Timing of ongoing infrastructure and streetscape improvements is ongoing as funds become available for improvements.  
▪ Business outreach efforts can start when ED person or consultant is hired                                                                 |
7.1 Generate Citizens Support to Expand the City’s Economic Development Capacity

The City Council should state its commitment to making economic development a citywide priority and establish clear guidance about implementing the objectives. Proposals that offer development that is thoughtful, balanced, and environmentally sensitive should be considered for implementation recognizing the lack of consensus on how to improve the local economy and the concern among many residents about land use change. The broad support for tourism among Pacifica residents should be extended to other economic development initiatives and projects that meet community objectives.

The City also lacks the sufficient staff capacity that is needed to initiate and implement economic development projects and effectively advocate for business interests. An economic development staff person can attend community meetings to answer and respond to questions about the City’s current business practices, and respond to other perceived small business constraints. Additional staff or consultants will improve the City’s business climate and expand the capacity to implement the initiatives described in this report.

Recommendation #1:
Pacifica’s primary economic development goal should be to diversify the local economy and improve the City’s fiscal sustainability

This objective can be met by diversifying the local economy to attract businesses that hire local residents, pay higher wages, and improve the City’s fiscal base. Adopting an economic development goal can help the City Council to educate the residents about the nexus between revenue enhancement and the City’s capacity to deliver public services.

Timing

The recommended economic development goal should be adopted as soon as possible, but it must be sustained over a long period of time.

Recommendation #2:
Prepare a General Plan Economic Development Element and complete the General Plan Update

A General Plan Economic Development Element would be an official policy document that adopts most or all of the economic development plan objectives and recommendations. An ED Element provides more predictability and an attitude change that improves Pacifica’s business climate.

In addition, completing the General Plan Update will do more to engage development than any other single action. Properties like the Calson site...
should be zoned in a manner consistent with the City’s intentions, which will attract new investment and activate site development. The Economic Development Element could proceed along a parallel path with the General Plan update recognizing that the update is an advanced stage of preparation.

**Timing**

The City should proceed as soon as possible with an Economic Development Element in order to keep pace with the General Plan update.

**Recommendation #3:**
*Hire a full-time Economic Development Coordinator if available fiscal resources can support the position*

The City lacks the staff capacity required to attract new investment and implement the recommendations within this Economic Development Plan. A full-time Economic Development Coordinator can advocate for business interests, improve the City’s business climate, help implement the enclosed recommendations, and reduce the City Council and City Manager’s need to spend time on economic development projects.

**Timing**

Timing to implement the recommendation is dependent on the City’s fiscal condition.

**Recommendation #4:**
*Consider hiring a part time Economic Development Consultant if sufficient resources are not available to support a full time position*

The City should consider hiring a part-time Economic Development Consultant if the fiscal resources are not sufficient to fund up to $150,000 per year for a full-time City staff person. The Economic Development Consultant could operate on a similar arrangement as a planning consultant that works with City staff on project-based assignments, and could be utilized on an as-needed basis for general economic development expertise and specific projects. This would provide flexibility according to the City’s needs and resources, and would free up the City Manager and City Council for other tasks.

**Timing**

Timing to implement the recommendation is dependent on the City’s fiscal condition.
7.2 SUPPORT BUSINESS RETENTION AND ATTRACTION

The City should actively seek to expand the economy by attracting new businesses into existing vacant spaces and by assisting existing businesses to be successful.

Recommendation #5: Establish a Business Retention Program

The BRP could build on the Mayor’s Business Outreach Program and include an annual business retention survey and an annual visit of key businesses by City staff and/or City Council. The information collected from the surveys and site visits would identify businesses that are at risk of reducing staff or closing, and could benefit from potential assistance from the City. This effort could act as an “early warning system” for business sectors that may be at risk because of variables that the City may affect.

Timing

Implementation may be delayed until the City hires an economic development staff person or a consultant.

Recommendation #6: Partner with the San Francisco Renaissance Entrepreneurship Center to offer business startup and management training for Pacifica entrepreneurs and small businesses

The Renaissance Entrepreneurship Center offers classes in business planning, accounting, sales, marketing, and other relevant topics. The Center currently offers online classes as well as classroom instruction in Daly City and San Francisco. Additional classes could be offered in Pacifica if sufficient demand emerges. The Renaissance model has been replicated in communities like Hayward, East Palo Alto, and San Jose with Community Development Block Grant Funds.

Timing

Implementation may be delayed until the City hires an economic development staff person or a consultant.

Recommendation #7: Study the feasibility of establishing a micro-loan fund

Pacifica should study the feasibility of establishing a micro-loan fund that would make small loans of between $1,000 and $10,000 available to existing small businesses and new business start up entrepreneurs. A micro-loan program would provide small firms in Pacifica with access to

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26 See http://www.rencenter.org/
capital for business activities that banks seeking large deals do not fund. The study should identify a financial institution that could partner with the City to administer the loans and an organizational structure to guide loan eligibility. Most import, the study should determine the feasibility of the City’s financial support to fully or partially guarantee the micro-loans.

**Timing**

Implementation may be delayed until the City hires an economic development staff person or a consultant.

**Recommendation #8:**

*Establish a Shop Pacifica campaign*

A “shop local” campaign could be initiated and an affinity card could be developed to reward, track, and encourage spending at local businesses, and implemented in partnership with the Chamber and independent merchants. Several examples of this exist in nearby communities. Current research indicates that independent businesses throughout the US experienced solid revenue growth in 2012, buoyed in part by “buy local first” initiatives and growing public interest in supporting locally-owned businesses.27

**Timing**

Implementation may be delayed until the City hires an economic development staff person or a consultant.

**Recommendation #9:**

*A restaurant attraction effort could help revitalize the established shopping areas*

Efforts to attract additional food service establishments with a distinct local character can take advantage the emerging consumer preference for local- and neighborhood-serving restaurants without building new commercial space. At the same time, the City should support potential development of new restaurant spaces in attractive locations.

**Timing**

Implementation may be delayed until the City hires an economic development staff person or a consultant.

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Recommendation #10: Attract new recreational businesses that capitalize on Pacifica’s oceanfront and other environmental assets

Thousands of visitors travel to Pacifica on the weekends to enjoy the beaches, hike and bike on the public lands and/or play golf at Sharp Park. However, local businesses do not maximize the potential spending that could be captured, in part due to the absence of businesses that can rent bikes, kayaks and other types of recreational equipment. Outdoor equipment companies attracted to Rockaway Beach or Linda Mar Shopping Center could fill an unmet market niche compatible with the City’s environmental assets. An active effort to attract these businesses will fill an unmet need.

Timing

Implementation may be delayed until the City hires an economic development staff person or a consultant.

Recommendation #11: Organize a tour of vacant commercial spaces

A tour of vacant retail and commercial spaces, which has been effective in other communities, may generate some interest from local entrepreneurs or residents seeking business startup or live-work space. A tour can also inform potential business tenants and entrepreneurs about the existing available vacancies, their assets, and possible uses.28

Timing

Implementation may be delayed until the City hires an economic development staff person or a consultant.

Recommendation #12: Support unanticipated business attraction opportunities

Economic development implementation actions should be flexible and ready to adjust to unexpected opportunities. Business prospects may emerge with a need for a site that requires creative problem solving by working with property owners, realtors and local planners to accomplish a goal of attracting an important business to the community. Pacifica may be an attractive business location for non-traditional business prospects such as small biotechnology firms, food and drink establishments such as urban wineries and independent specialty retailers.

Timing
Ongoing.

7.3 REDEVELOP OR REVITALIZE KEY OPPORTUNITY SITES

Revitalizing economic development opportunity sites presents Pacifica with its best opportunity to make a significant change to the local economy by adding new office, laboratory and well-located retail space that will help Pacifica accomplish the economic diversification and fiscal sustainability goal.

Key sites like the Quarry and Calson cannot be developed until an owner emerges with the intention and financial capacity to invest in the site. The City can require the property owner and their developer partners to build new Class A office and/or laboratory space as a project approval condition, which may help attract new high value start-up firms that pay good salaries, reduce the need to commute, and generate large economic multipliers that improve the City’s fiscal sustainability. However, the City’s ability to encourage new development requires cooperative and assertive property owner partners. The City can play a pivotal role in the revitalization effort by actively engaging property owners in plan preparation and entitlements.

Recommendation #13:
Partner with the Quarry property owner to plan a financially feasible land use mix that community residents can support

- The City should require the property owner to develop new high quality office and laboratory space as a condition of approval. Essentially, the private market will not build new high quality office or laboratory space without the requirement a condition to allow new housing on the site. Requiring developers to build new high quality business space is not an obstacle to development but, rather, an enhancement that increases the value of the projects affected. The development of the Quarry will have spin off benefits that could help absorb the less desirable vacant spaces. Of course, an approved master plan to develop the Quarry sites must be consistent with the Local Coastal Plan. If not, the proposed land uses will require a Local Coastal Plan amendment.

Timing
Implementation will take a long period of time and the potential site development timeline is dependent on the property owner’s willingness to invest and engage in a public planning process.
Recommendation #14:
Partner with the Calson Site property owner to plan a financially feasible land use mix that the community can support

The City should require the property owner to develop new high quality office and/or laboratory space that could attract investment by technology and software entrepreneurs because the private market will not build this space without the City requirement. The property is not currently on the market, and the owner should be encouraged to seek a buyer who will submit a proposed master plan and land use mix that encourages appropriate, balanced development. Perhaps a working group of local residents, the property owner, and prospective buyer could be organized to work through issues and concerns.

Timing
Implementation will take a long period of time and the potential site development timeline is dependent on the property owner’s willingness to invest and engage in a public planning process.

Recommendation #15:
Continue to implement the Beach Boulevard Redevelopment Plan

The City’s well thought out plan to implement the long-term effort to redevelop the former wastewater treatment plant is moving forward. The City should stay on course to implement the project.

Timing
Implementation of this City-owned site should proceed prior to 2014.

Recommendation #16:
Support Eureka Square to be more intensely developed with a mix of residential and commercial uses

The General Plan updated should encourage the Eureka Square property owner who has been thus far disinterested to more intensely develop the site with a mix of residential and commercial uses. The zoning and parking requirements may also be modified to accomplish the site redevelopment goals.

Timing
Implementation will be a long-term effort dependent on the property owner’s willingness to initiate improvements.

Recommendation #17:
Encourage the former Pacifica Lumber Yard Site owners to re-establish retail uses on the site

The City should re-engage the property owner to resume retail operations or sell the property to new buyers that will attract retail establishments.
The City is limited until new owners emerge that desire to resume commercial operations.

**Timing**

Implementation will be a long-term effort dependent on the property owner’s willingness to initiate improvements.

### 7.4 Expand Funding to Promote Pacifica as a Visitor Destination

Tourism promotion in Pacifica is underfunded, and additional promotional funding could yield a direct return on investment in the form of improved occupancy rates and restaurant sales. Tourism is a business that generates a direct return on investment for the City in the form of a 12 percent Transit Occupancy Tax assessed to a $150 per night average room, plus additional spending at local restaurants and stores.

**Recommendation #18:**

*The City and the Pacifica Hotel Improvement District (BID) should consider an additional assessment that will supplement the $65,000 of annual revenues available to promote the hotels.*

An additional assessment on the BID would require a vote among the BID participants. It is anticipated that any additional costs to tourism businesses would be passed on to their customers, who are overnight visitors.

**Timing**

A new assessment should be considered within the next calendar year.

**Recommendation #19:**

*The BID should be expanded to include restaurants, retail and other visitor serving establishments*.

Pacifica’s BID is limited to the hotels but additional revenue would be raised by including restaurants and retail stores that serve visitors. Implementation would require the BID to be reorganized with a different governing board and fee structure.

**Timing**

A new BID structure should be considered within the next calendar year.

**Recommendation #20:**

*The City should invest more funds to promote the Pacifica hotels as an overnight visitor destination (pending budget availability)*.

The City should investing additional Transit Occupancy Tax (TOT) revenues to promote the Pacifica hotels as an overnight visitor.
destination. Implementation would supplement the BID funds and the City’s current $10,000 expenditure for visitor services. Clearly, the City can accomplish a positive return on the additional promotional investment. Benchmarks could be established to guide and measure effectiveness.

**Timing**

Funding decisions should be made during the City’s annual budget adoption.

**Recommendation #21:**

*Pacifica's tourism industry stakeholders should seek additional promotion and marketing services from the San Mateo County/Silicon Valley Tourism Improvement District*

Pacifica should be an active participant in the regional TBID, which has expertise and funding available to support Pacifica’s tourism promotional efforts.

**Timing**

Outreach to the regional TBID should begin immediately.

### 7.5 Expand Lodging and Promote Pacifica as a Visitor Destination

The City should support an expansion of lodging rooms, and the available promotional funding should be invested on efforts to attract visitors to stay overnight at the hotels and patronize other destination businesses. More visitor spending will generate additional business sales and tax receipts.

**Recommendation #22:**

*Support proposals to expand the number of lodging rooms at appropriate locations*

Assist lodging facilities to expand within current approvals to prevent lengthy processing delays. New hotels and hotel rooms will bring additional visitor spending into the City that generates TOT revenues. Luxury and boutique hotels in particular will generate additional visitor spending at local eateries and retail businesses.

**Timing**

Supporting the expansion of lodging will be on a case-by-case basis.
Recommendation #23:
The City and the BID should offer matching grant funds to the hotels and other destination businesses engaged in visitor attraction efforts

Implementation will leverage scarce public funds with private investment to attract overnight visitors. The matching funds should be available to any business that is trying to attract out of town visitor spending.

Timing
Adjustments to the current promotional efforts may take up to one year to implement.

Recommendation #24:
The City and BID should continue to fund the Pacifica map and the visitor information on the Chamber’s website

The tools that are currently working well should continue to be funded. Funding should include a plan to distribute the map.

Timing
Adjustments to the current promotional efforts may take up to one year to implement.

Recommendation #25:
The City and BID should continue funding efforts to promote hotel stays off-week and off-season.

Promotional efforts are most needed during the weekdays and off-season.

Timing
Adjustments to the current promotional efforts may take up to one year to implement.

7.6 Promote Rockaway Beach as Pacifica’s Primary Visitor Destination

Pacifica will benefit from efforts to attract visitors to Rockaway Beach, which provides a venue for visitors to park their cars and walk to the beach, and patronize food service establishments and small retail stores without additional driving trips. Rockaway Beach is Pacifica’s most distinctive commercial area that offers visitors access to the beach along with an urban environment in a small area. Rockaway Beach could become Pacifica’s primary venue for entertainment- and visitor-serving commercial uses.
Recommendation #26: 
**Brand Rockaway Beach as a food and lodging visitor destination**

The City and the BID should concentrate their visitor attraction efforts on Rockaway Beach, which is Pacifica’s most viable visitor-serving commercial area. Rockaway Beach has an attractive beachfront, lodging facilities and restaurants. More visitor serving retail will add to the area’s attractiveness.

**Timing**

Adjustments to the current promotional efforts may take up to one year to implement.

Recommendation #27: 
**Attract more visitor-serving retail to locate at Rockaway Beach**

The City should attract more visitor-serving retail to locate at Rockaway Beach, which would generate multiplier benefits for area businesses. More visitor-serving retail will enhance the ambience and viability of the area. Targeted promotions should connect visitors with food, local retailers, recreational services, and food services that can be purchased at Rockaway Beach.

**Timing**

Efforts to attract new visitor-serving retail to Rockaway Beach should begin immediately.

Recommendation #28: 
**Attract music and other special events to Rockaway Beach**

Rockaway Beach provides a great setting for music, art, and other special events. The potential for additional events could be explored in conjunction with solutions to potential parking and traffic impacts. Businesses within walking distance could benefit from the multiplier spending associated with attending special events. The tree lighting ceremony could be expanded and some Fogfest events may relocated to Rockaway Beach.

**Timing**

Efforts to attract new visitor events to Rockaway Beach should begin immediately. It may take up to one year to implement this recommendation.

Recommendation #29: 
**Incorporate Rockaway Beach into the annual Fogfest celebration**

The annual Fogfest celebration could be expanded to Rockaway Beach as part of the effort to transform Rockaway into the City’s primary
visitor destination. Of course, the Fogfest events should be coordinated to maximize attendance at Rockaway Beach.

**Timing**

Plans to integrate Rockaway Beach into the annual 2014 Fogfest should begin shortly after the 2013 event.

**Recommendation #30:**  
*Attract Visitor Serving Retail to Rockaway Beach*

The attractive beach, hotels and destination restaurants are missing retail, which will enhance the ambience and viability of the area. Visitor serving retail may include souvenir shops, take out food and perhaps arcades. The business attraction effort would have to be accomplished in partnership with property owners, realtors, the Chamber and area merchants.

**Timing**

Must wait until an economic development staff person or consultant is hired.

**Recommendation #31:**  
*Work with local merchants to normalize business hours*

The City and Chamber of Commerce should work with local Rockaway Beach merchants to normalize business hours in order to better serve local customers and visitors. Normalizing business hours will help retain customers and expand sales at Rockaway Beach.

**Timing**

Efforts could begin immediately.

**Recommendation #32:**  
*Improve signage to attract new customers to Rockaway Beach*

The City, the Chamber of Commerce, Caltrans and other stakeholders should collaborate to improve signage that showcases the Rockaway Beach location, and makes it easier to identify and patronize area businesses. Improved signage will help create a community village environment that will encourage repeat visits to Rockaway Beach, and provide visitors with better access to restaurants, shops and services during regular business hours.

**Timing**

Efforts could begin immediately.
### 7.7 Continue to Revitalize the Palmetto Avenue Corridor

Continue to complete the infrastructure improvements that will attract new real estate investments and support land use changes that encourages walkability. Zoning and parking requirements should be reviewed and possibly adjusted to encourage the development of new commercial space along the corridor. The City should also attract and improve the business mix along the corridor when vacant commercial space becomes available. Appropriate scale is critical to the success of the revitalization effort.

**Recommendation #33:**

**Complete infrastructure and streetscape improvements along the Corridor**

Current efforts to relocate utilities underground and to make lighting and streetscape improvements along the corridor should be completed as funding becomes available.

**Timing**

Ongoing effort.

**Recommendation #34:**

**Create a Palmetto Avenue Specific Plan to guide future private development**

A Specific Plan will guide the intensity and scale of new development, which can provide predictability to developers and others who might invest in the district.

**Timing**

Long term effort that will require funding from the property owners and existing businesses along the corridor.

**Recommendation #35:**

**Reach out to businesses along the corridor to identify and address opportunities and constraints**

Improved communication between the City and Palmetto Avenue businesses could help identify the opportunities and constraints to revitalizing the corridor that encourages more intensive development and land use changes.

**Timing**

Ongoing efforts.

### 7.8 Other Potential Site Development Opportunities

Additional sites that should be monitored for possible economic development initiatives are described below.
City Corporation Yard

The potential to sell the City Corporation Yard and relocate activities to an alternative site should be formally studied in advance of any project implementation efforts. The study should identify a specific site(s) and determine the property value of the current site, costs of purchasing new land, and moving costs, which will collectively determine the financial feasibility of relocation. The private commercial uses that could be attracted to the Corporation Yard should be included in the study.

Linda Mar Shopping Center Park and Ride

The City should also study the potential to convert the Linda Mar Shopping Center Park and Ride lot to private commercial uses. The Park and Ride is a good site for commercial development, but the study should determine the specific type of use that could be supported, an alternative Park and Ride location, and costs associated with relocating the Park and Ride uses.

Shamrock Ranch

The City should continue to monitor verbal proposals to transform Shamrock Ranch into an education or business campus. Future transformation is a conceptual idea at this time, with many significant constraints to overcome. The parcel is isolated with limited access through residential neighborhoods. The property must be annexed into the City, and new development would have to address traffic impact concerns on the residential area.

Manor Square

The City should monitor any verbal or written proposals to create more density and mixed uses within the Manor Square shopping district. This area’s property owners have not successfully worked together in the past, and any City efforts to encourage area improvements will be difficult for multiple property owners to accomplish.

* * *
8. Benchmarks and Performance Measures

Economic development activities initiated by the City can be measured with benchmarks that will provide city leaders effective information about the use of limited resources. Measures of results rather than activities such as attending meetings or making phone calls are most effective when based on goals and objectives. The performance measures should not be a staff time management burden, but rather a part of the effort to understand how the City can measure its economic development effectiveness.

Useful performance measures should utilize available, reliable data that can accurately measure economic development progress at stated intervals. For example, sales tax data can be measured by quarterly and annual performance of annual and seasonal retail sales tax changes relative to the regional economy; and measures of city staff activities can inform city leaders about the necessary staff hours required to accomplish the outcomes. Possible benchmarks and performance measures that can guide Pacifica’s economic development efforts are summarized in Figure 9, and described below, recognizing that outcomes are affected by other macro-economic variables such as the performance of the regional economy and housing market.

Efforts to benchmark local economic performance should be easy to maintain if the City convenes an internal group of city staff and economic development stakeholders to review and refine the recommended performance measures, and agree upon the data sources and a timeline to collect and report the information. It is anticipated that this information will be reported on a quarterly or annual basis.

A recent survey by the International City Managers Association and National League of Cities discovered that nearly two thirds of local governments used performance measures such as these to track economic development outcomes. Selected measures should be shared with the community and reported relative to the regional economic measures over time. The Redwood City Economic Development Dashboard should be considered as a model that Pacifica could replicate, which provides guidance on how to communicate with the public about the relationship between economic development, local revenues and the delivery of local services.29

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29 See http://www.redwoodcity.org/business/dash/ for more information about the Dashboard
### FIGURE 9
Benchmarks and Performance Measures

<table>
<thead>
<tr>
<th>Economic Development Indicator</th>
<th>Performance Measures</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure commercial vacancies</td>
<td>Information from local brokers and Economic Development Committee members. Information could be tracked by commercial district</td>
<td>ED Staff or Consultant</td>
</tr>
</tbody>
</table>
| Commercial Real Estate Investment | Inventory and Description of Approved Projects  
Estimated Value of Projects Breaking Ground  
Estimated Value of New Investment for Completed Projects | ED Staff or Consultant in Collaboration with Planning Department |
| Sales Tax and Transit Occupancy Tax Trends | Track sales tax and TOT receipts and record sales tax trends with non-confidential data provided by the City’s sales tax consultant (HdL)  
Data provided on a quarterly basis  
Report to City Council on semi-annual basis | ED Staff or Consultant in Collaboration with Administrative Services Department |
| Business Attraction | Track new business start ups with monthly visits to vacant sites and the issuance of new business licenses and market intelligence provided by Chamber of Commerce and local businesses  
Business prospects contacted  
Brokers and site selectors contacted  
Land development and investors contacted | ED Staff or Consultant in collaboration with Administrative Services Department |
| Business Attraction | Track new business start ups with monthly visits to vacant sites and the issuance of new business licenses and market intelligence provided by Chamber of Commerce and local businesses  
Business prospects contacted  
Brokers and site selectors contacted  
Land development and investors contacted | ED Staff or Consultant in collaboration with Administrative Services Department |
| Business Retention | # of Contacts with individual businesses to gather information about business expansion or retention constraints  
Documentation of assistance provided to individual business establishments | ED Staff or Consultant in collaboration with the City Manager |
| Hotel Occupancy | Measure quarterly hotel occupancy rates using TOT data and average room rates  
Compare with published data in San Francisco and the regional economy | ED Staff or Consultant in collaboration with the City Manager and the Chamber of Commerce |
| Annual Business Survey and Report | Measure business climate in terms of new job creation and planned expansions | ED Staff or Consultant in collaboration with the Pacifica Chamber of Commerce |
Benchmarking economic development activity could then become part of the City’s image and branding, and be available on the City’s website. Often site selectors and prospective businesses do not contact City Staff prior to exploring a possible location. The economic indicator data provides useful information to guide private sector site selection decisions, and it conveys useful information to the public about the nexus between economic development and the delivery of City services.

* * *
Appendix A: Backup Tables

1. Journey to Work in Pacifica, 2010
2. Number of Firms by Size of Firm in Pacifica, 2011
4. Educational Attainment in Pacifica, San Mateo County, and California Among Adults Age 25 and Older: 2010
7. Population by Ethnicity in Pacifica, San Mateo County, and California, 2010
Table A-1
Journey to Work in Pacifica, 2010

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<td>Total Employed Residents</td>
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<table>
<thead>
<tr>
<th>Location</th>
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<tr>
<td>San Francisco</td>
<td>6,170</td>
</tr>
<tr>
<td>Pacifica</td>
<td>2,370</td>
</tr>
<tr>
<td>South San Francisco</td>
<td>1,700</td>
</tr>
<tr>
<td>Daly City</td>
<td>940</td>
</tr>
<tr>
<td>San Mateo County (Other)</td>
<td>4,640</td>
</tr>
<tr>
<td>Out of County (not SF)</td>
<td>2,190</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In-Commuters to Pacifica by Residential Location</th>
<th>4,390</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacifica</td>
<td>2,370</td>
</tr>
<tr>
<td>San Francisco</td>
<td>550</td>
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<tr>
<td>Daly City</td>
<td>340</td>
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<tr>
<td>San Mateo County (Other)</td>
<td>760</td>
</tr>
<tr>
<td>Out of County (not SF)</td>
<td>360</td>
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</table>

Data Source: US Census 2010; Pacifica General Plan Retail and Tourism Market Assessment, 2009

Analysis: Wahlstrom & Associates
### Table A-2
Number of Firms by Size of Firm in Pacifica, 2011

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Number of Firms</th>
<th>1 to 4 Employees</th>
<th>5 to 9 Employees</th>
<th>10 to 19 Employees</th>
<th>20 to 49 Employees</th>
<th>50 to 99 Employees</th>
<th>100 to 249 Employees</th>
<th>250 or more Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>96</td>
<td>73</td>
<td>14</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8</td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>11</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Retail trade</td>
<td>56</td>
<td>25</td>
<td>15</td>
<td>6</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Information</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>28</td>
<td>20</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Real estate and Rental and Leasing</td>
<td>28</td>
<td>22</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>68</td>
<td>56</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Management of Companies and Enterprises</td>
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<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>25</td>
<td>19</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Educational Services</td>
<td>11</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Health care and Social Assistance</td>
<td>51</td>
<td>26</td>
<td>14</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>0</td>
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<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>14</td>
<td>9</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Accommodation and Food Services</td>
<td>67</td>
<td>27</td>
<td>17</td>
<td>18</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Services (except Public Administration)</td>
<td>48</td>
<td>36</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>528</strong></td>
<td><strong>344</strong></td>
<td><strong>101</strong></td>
<td><strong>51</strong></td>
<td><strong>22</strong></td>
<td><strong>8</strong></td>
<td><strong>2</strong></td>
<td><strong>0</strong></td>
</tr>
<tr>
<td><strong>Percent Total</strong></td>
<td></td>
<td><strong>65%</strong></td>
<td><strong>19%</strong></td>
<td><strong>10%</strong></td>
<td><strong>4%</strong></td>
<td><strong>2%</strong></td>
<td><strong>0%</strong></td>
<td><strong>0%</strong></td>
</tr>
</tbody>
</table>

**Data Source:** US County Business Patterns

**Analysis:** Wahlstrom & Associates
## Table A-3
Pacifica Employment Trends, 2000–2011

<table>
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<tr>
<th></th>
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<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td><strong>CALIFORNIA</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>California Employment</td>
<td>14,768,000</td>
<td>15,435,500</td>
<td>14,319,500</td>
<td>14,445,700</td>
<td>667,500</td>
<td>-1,116,000</td>
<td>126,200</td>
<td>0.7%</td>
<td>-1.9%</td>
<td>0.9%</td>
<td></td>
</tr>
<tr>
<td>Three County Region Employment [a]</td>
<td>2,009,800</td>
<td>1,738,300</td>
<td>1,677,800</td>
<td>1,717,300</td>
<td>-271,500</td>
<td>-60,500</td>
<td>39,500</td>
<td>-2.4%</td>
<td>-0.9%</td>
<td>2.4%</td>
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</tr>
<tr>
<td>San Mateo County Employment</td>
<td>372,800</td>
<td>332,200</td>
<td>313,300</td>
<td>320,900</td>
<td>-40,600</td>
<td>-18,900</td>
<td>7,600</td>
<td>-1.9%</td>
<td>-1.5%</td>
<td>2.4%</td>
<td></td>
</tr>
<tr>
<td><strong>PACIFICA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Employment</td>
<td>3,850</td>
<td>4,470</td>
<td>4,070</td>
<td>4,330</td>
<td>620</td>
<td>-400</td>
<td>260</td>
<td>2.5%</td>
<td>-2.3%</td>
<td>6.4%</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>480</td>
<td>510</td>
<td>500</td>
<td>530</td>
<td>12%</td>
<td>30</td>
<td>-10</td>
<td>30</td>
<td>1.0%</td>
<td>-0.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>40</td>
<td>100</td>
<td>140</td>
<td>160</td>
<td>4%</td>
<td>60</td>
<td>40</td>
<td>20</td>
<td>16.5%</td>
<td>8.8%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>250</td>
<td>50</td>
<td>30</td>
<td>20</td>
<td>0%</td>
<td>-200</td>
<td>-20</td>
<td>-10</td>
<td>-23.5%</td>
<td>-12.0%</td>
<td>-33.3%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>820</td>
<td>760</td>
<td>830</td>
<td>870</td>
<td>20%</td>
<td>60</td>
<td>70</td>
<td>40</td>
<td>-1.3%</td>
<td>2.2%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Transportation, Warehousing, and Utilities</td>
<td>50</td>
<td>40</td>
<td>60</td>
<td>40</td>
<td>1%</td>
<td>-10</td>
<td>20</td>
<td>-20</td>
<td>-3.7%</td>
<td>10.7%</td>
<td>-33.3%</td>
</tr>
<tr>
<td>Information</td>
<td>90</td>
<td>20</td>
<td>20</td>
<td>30</td>
<td>1%</td>
<td>-70</td>
<td>0</td>
<td>10</td>
<td>-22.2%</td>
<td>0.0%</td>
<td>50.0%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>180</td>
<td>270</td>
<td>240</td>
<td>210</td>
<td>5%</td>
<td>90</td>
<td>-30</td>
<td>-30</td>
<td>7.0%</td>
<td>-2.9%</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>530</td>
<td>460</td>
<td>460</td>
<td>560</td>
<td>13%</td>
<td>-70</td>
<td>0</td>
<td>100</td>
<td>-2.3%</td>
<td>0.0%</td>
<td>21.7%</td>
</tr>
<tr>
<td>Health Care &amp; Private Education</td>
<td>400</td>
<td>700</td>
<td>740</td>
<td>840</td>
<td>19%</td>
<td>300</td>
<td>40</td>
<td>100</td>
<td>9.8%</td>
<td>1.4%</td>
<td>13.5%</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>980</td>
<td>1,320</td>
<td>840</td>
<td>850</td>
<td>20%</td>
<td>340</td>
<td>-480</td>
<td>10</td>
<td>5.1%</td>
<td>-10.7%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Other Services</td>
<td>30</td>
<td>240</td>
<td>210</td>
<td>220</td>
<td>5%</td>
<td>210</td>
<td>-30</td>
<td>10</td>
<td>41.4%</td>
<td>-3.3%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

**Data Source:** California Employment Development Department

**Analysis:** Wahlstrom & Associates

**Note:** [a] San Mateo, San Francisco and Santa Clara comprise the three county region
Data does not include employment in government or agriculture
### Table A-4
Educational Attainment in Pacifica, San Mateo County, and California
Among Adults Age 25 and Older: 2010

<table>
<thead>
<tr>
<th></th>
<th>Not HS Graduate</th>
<th>HS Graduate, Some College or Associates Degree</th>
<th>Bachelor’s Degree</th>
<th>Professional or Advanced Degree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>9,563,521</td>
<td>5,051,983</td>
<td>6,344,351</td>
<td>2,537,740</td>
<td>23,497,595</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>188,087</td>
<td>87,643</td>
<td>132,941</td>
<td>83,704</td>
<td>492,374</td>
</tr>
<tr>
<td>Pacifica</td>
<td>11,397</td>
<td>5,139</td>
<td>6,524</td>
<td>3,568</td>
<td>26,629</td>
</tr>
</tbody>
</table>

**Percent Total**

<table>
<thead>
<tr>
<th></th>
<th>California</th>
<th>San Mateo County</th>
<th>Pacifica</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not HS Graduate</td>
<td>41%</td>
<td>38%</td>
<td>43%</td>
</tr>
<tr>
<td>HS Graduate</td>
<td>22%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>27%</td>
<td>27%</td>
<td>25%</td>
</tr>
<tr>
<td>Professional or Advanced</td>
<td>11%</td>
<td>17%</td>
<td>13%</td>
</tr>
</tbody>
</table>

**Data Source:** US Census

**Analysis:** Wahlstrom & Associates

### Table A-5

<table>
<thead>
<tr>
<th></th>
<th>Population 16 Years and Older</th>
<th>Labor Force</th>
<th>Employed</th>
<th>Unemployed</th>
<th>Unemployment Rate</th>
<th>Not in Labor Force</th>
<th>Labor force Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>284,45,545</td>
<td>18,418,333</td>
<td>16,632,696</td>
<td>1,642,030</td>
<td>8.9%</td>
<td>10,027,212</td>
<td>64.7%</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>578,119</td>
<td>397,940</td>
<td>362,295</td>
<td>35,507</td>
<td>8.9%</td>
<td>180,179</td>
<td>68.8%</td>
</tr>
<tr>
<td>Pacifica</td>
<td>30,174</td>
<td>21,816</td>
<td>20,380</td>
<td>1,413</td>
<td>6.5%</td>
<td>8,358</td>
<td>72.3%</td>
</tr>
</tbody>
</table>

**Data Sources:** U.S. Census and USA.com

**Analysis:** Wahlstrom & Associates

**Note:** Persons not in the labor force include retired, disabled, homemakers, students and discouraged workers that are no longer seeking work
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>33,873,086</td>
<td>35,869,173</td>
<td>37,223,900</td>
<td>0.9%</td>
<td>1.2%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Bay Area</td>
<td>6,783,762</td>
<td>7,096,500</td>
<td>7,341,700</td>
<td>0.8%</td>
<td>0.9%</td>
<td>0.7%</td>
</tr>
<tr>
<td>San Francisco</td>
<td>776,733</td>
<td>795,800</td>
<td>810,000</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>696,713</td>
<td>711,500</td>
<td>721,500</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Pacifica</td>
<td>38,390</td>
<td>38,700</td>
<td>39,000</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Daly City</td>
<td>103,625</td>
<td>104,800</td>
<td>105,600</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>San Bruno</td>
<td>40,165</td>
<td>41,400</td>
<td>43,000</td>
<td>0.7%</td>
<td>0.6%</td>
<td>0.8%</td>
</tr>
<tr>
<td>South City</td>
<td>60,552</td>
<td>61,700</td>
<td>63,200</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Half Moon Bay</td>
<td>11,842</td>
<td>12,600</td>
<td>13,000</td>
<td>0.9%</td>
<td>1.2%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

**Data Sources:** Association of Bay Area Governments and the California Department of Finance

**Analysis:** Wahlstrom & Associates
<table>
<thead>
<tr>
<th>Geographic Area</th>
<th>Total Population</th>
<th>Caucasian</th>
<th>Hispanic or Latino of any race</th>
<th>Asian</th>
<th>African American</th>
<th>Two or More Races</th>
<th>Other [a]</th>
<th>Percent Caucasian</th>
<th>Percent Hispanic</th>
<th>Percent Asian</th>
<th>Percent African American</th>
<th>Percent Two or More Races</th>
<th>Percent Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>37,091,986</td>
<td>14,956,253</td>
<td>14,013,719</td>
<td>4,775,070</td>
<td>2,163,804</td>
<td>968,696</td>
<td>214,444</td>
<td>40.3%</td>
<td>37.8%</td>
<td>12.9%</td>
<td>5.8%</td>
<td>2.6%</td>
<td>0.6%</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>718,111</td>
<td>303,609</td>
<td>182,502</td>
<td>175,594</td>
<td>18,763</td>
<td>23,925</td>
<td>13,718</td>
<td>42.3%</td>
<td>25.4%</td>
<td>24.5%</td>
<td>2.6%</td>
<td>3.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Pacifica</td>
<td>37,234</td>
<td>20,703</td>
<td>6,243</td>
<td>7,045</td>
<td>902</td>
<td>1,778</td>
<td>563</td>
<td>55.6%</td>
<td>16.8%</td>
<td>18.9%</td>
<td>2.4%</td>
<td>4.8%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Data Sources:** US Census 2010

**Analysis:** Wahlstrom & Associates

**Note:** [a]: Other includes American Indian, Pacific Islander, and smaller ethnic groups
<table>
<thead>
<tr>
<th></th>
<th>Age</th>
<th>Age</th>
<th>Age</th>
<th>Age</th>
<th>Age</th>
<th>Total</th>
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</thead>
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<td>&lt; 18</td>
<td>18-34</td>
<td>35-54</td>
<td>55-64</td>
<td>65 +</td>
<td></td>
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<td>Population Estimates</td>
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<td></td>
</tr>
<tr>
<td>State of California</td>
<td>9,983,400</td>
<td>8,763,700</td>
<td>10,554,000</td>
<td>4,379,000</td>
<td>3,998,500</td>
<td>37,678,600</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>166,500</td>
<td>147,540</td>
<td>218,700</td>
<td>89,140</td>
<td>96,230</td>
<td>718,110</td>
</tr>
<tr>
<td>City of Pacifica</td>
<td>8,070</td>
<td>7,050</td>
<td>11,960</td>
<td>5,680</td>
<td>4,480</td>
<td>37,230</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>&lt; 18</th>
<th>18-34</th>
<th>35-54</th>
<th>55-64</th>
<th>65 +</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Distribution by Age Group</td>
<td></td>
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</tr>
<tr>
<td>State of California</td>
<td>26%</td>
<td>23%</td>
<td>28%</td>
<td>12%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>San Mateo County</td>
<td>23%</td>
<td>21%</td>
<td>30%</td>
<td>12%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>City of Pacifica</td>
<td>22%</td>
<td>19%</td>
<td>32%</td>
<td>15%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

**Data Sources:** US Census 2010 and USA.com

**Analysis:** Wahlstrom & Associates
### Table A-9
#### Average Household Income Trends
**Pacifica, San Francisco County, San Mateo County, and California: 2000–2010**

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>$83,100</td>
<td>$89,100</td>
<td>$83,500</td>
<td>$6,000</td>
<td>-$5,600</td>
<td>1.2%</td>
<td>-1.6%</td>
</tr>
<tr>
<td>San Francisco County</td>
<td>$124,500</td>
<td>$108,700</td>
<td>$102,200</td>
<td>-$15,800</td>
<td>-$6,500</td>
<td>-2.2%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>San Mateo County</td>
<td>$143,900</td>
<td>$135,900</td>
<td>$123,300</td>
<td>-$8,000</td>
<td>-$12,600</td>
<td>-0.9%</td>
<td>-2.4%</td>
</tr>
<tr>
<td>Pacifica</td>
<td>$128,200</td>
<td>$112,700</td>
<td>$105,000</td>
<td>-$15,500</td>
<td>-$7,700</td>
<td>-2.1%</td>
<td>-1.8%</td>
</tr>
</tbody>
</table>

**Data Sources:** US Census, Association of Bay Area Governments and USA.com  
**Analysis:** Wahstrom & Associates  
**Note:** Data is adjusted for inflation and rounded to the nearest $100