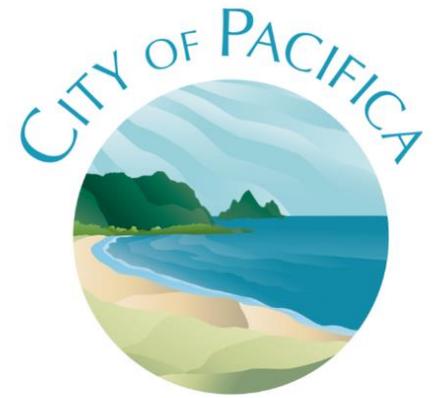


CITY OF PACIFICA ECONOMIC OPPORTUNITIES STUDY



FEBRUARY 2023



Kosmont Companies
El Segundo, CA

ECONOMIC OPPORTUNITIES STUDY

Kosmont Companies Staff

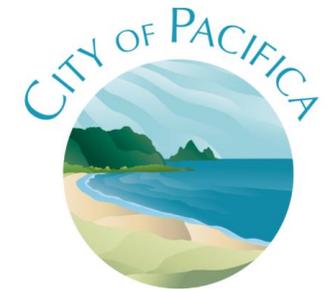
Ken K. Hira, President
Thomas Jirovsky, Senior Advisor
Robert Valenti, Vice President

Pacifica City Council

Tygarjas Bigstyck, Councilmember / Mayor
Sue Vaterlaus, Councilmember / Mayor Pro Tempore
Sue Beckmeyer, Councilmember
Mary Bier, Councilmember
Christine Boles, Councilmember

Pacifica Staff & Advisory

Kevin Woodhouse, City Manager
Yulia Carter, Assistant City Manager
Christian Murdock, Planning Director
Lisa Petersen, Director of Public Works
Alyssa Barranti, Management Analyst
Brian Moura, Senior Advisor, RGS



CITY OF PACIFICA ECONOMIC OPPORTUNITIES STUDY

TABLE OF CONTENTS

1. Executive Summary	Page	4 – 26
2. Economic / Land Use Trends		27 – 42
3. Business District Analysis		43 – 85
	<i>Pacific Manor / Fairmont</i>	49 – 57
	<i>Sharp Park / Eureka Square</i>	58 – 63
	<i>Rockaway Beach / Vallemar</i>	64 – 71
	<i>Linda Mar / Sun Valley</i>	72 – 80
	<i>Pedro Point</i>	81 – 86
4. Opportunity Sites		87 – 105
5. Data Appendix		106 - 174
	<i>Demographic / Market / Location Analytics / Revenue Data</i>	106 – 160
	<i>Community & Stakeholder Outreach</i>	161 – 173

ECONOMIC OPPORTUNITIES STUDY



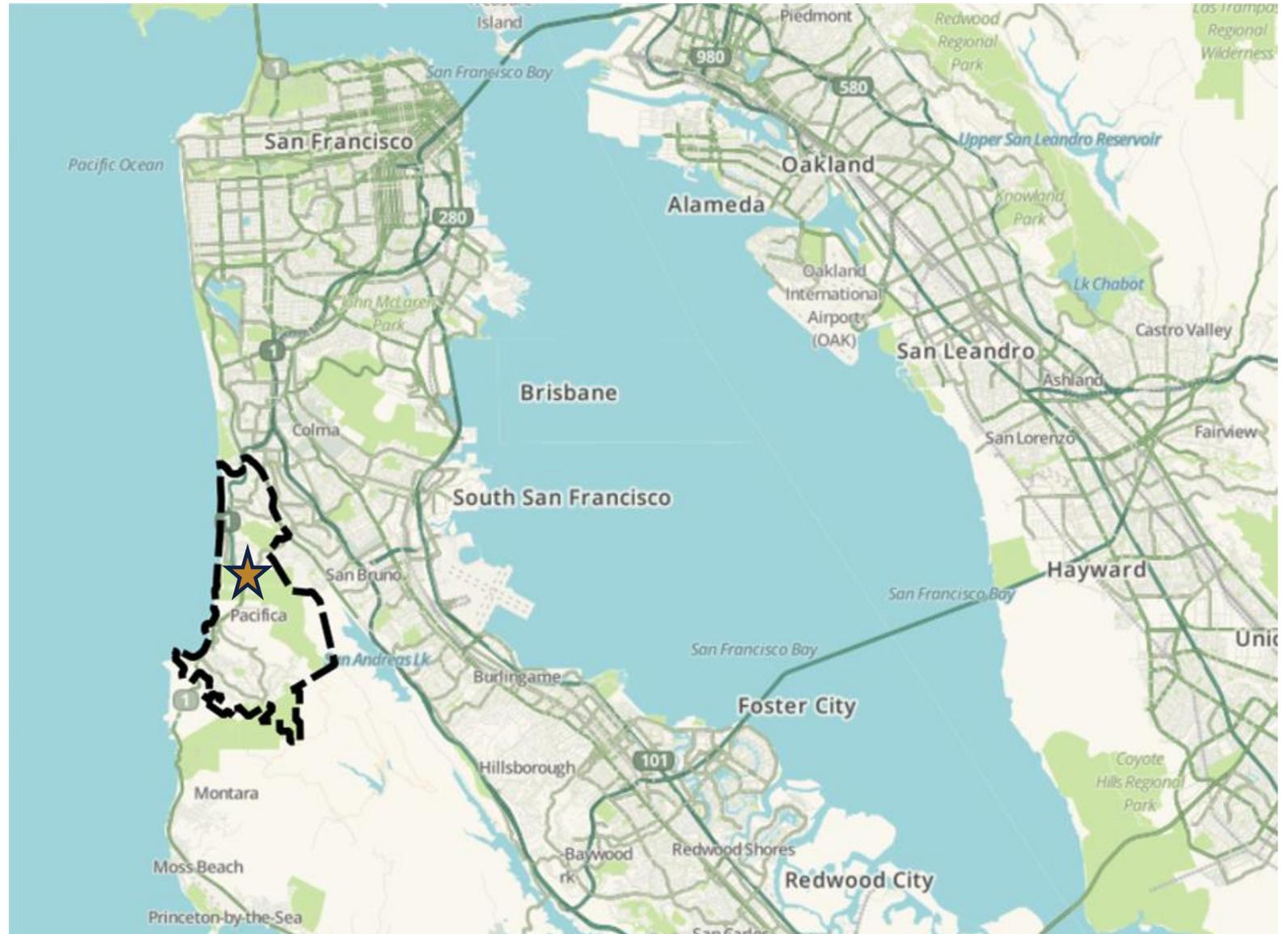
1. EXECUTIVE SUMMARY

Pacifica Economic Opportunities Study

ECONOMIC OPPORTUNITIES STUDY

PACIFICA REGIONAL CONTEXT

The City of Pacifica is a coastal community located just south of San Francisco / Daly City along the Pacific Coast. The City is well positioned along Coast Highway in close proximity to downtown San Francisco, Silicon Valley, and the greater Bay Area.



BACKGROUND

- Kosmont Companies (“Kosmont”) is pleased to present this Economic Opportunities Study (EOS) for the five main business districts in the City of Pacifica (“City” or “Pacifica”): Pacific Manor / Fairmont, Sharp Park / Eureka Square, Rockaway Beach / Vallemar, Linda Mar / Sun Valley, and Pedro Point. The EOS report is an important complement to the Vision 2025 & Beyond Plan to address economic sustainability for the City.
- Given shifting consumer preferences and land uses, and uncertain economic times and fiscal challenges, it is important that Pacifica identify opportunities within the City’s business districts to spur select new development that can increase General Fund revenues.
- The EOS identifies long term commercial opportunities supported by market forces and enhanced by steps the City and community can take. Environmental and other studies will be necessary important next steps to implementation of potential projects at the City-owned Beach Boulevard site, Palmetto Ave. and privately-owned Quarry property, as examples.



APPROACH

Kosmont's approach to preparing the Economic Opportunities Study included the following tasks:

- Review of City Budget and Planning documents, together with a daylong tour of the City and its business and residential districts
- Interviews with City staff, Council members, and community stakeholders
- Assessment of regional economic trends
- Assessment of local demographic and market conditions
- In person and virtual community outreach to gain insights as to needs and challenges and present preliminary findings
- Detailed assessment of five major commercial districts
- Identification of key opportunity sites and recommended land uses

EXECUTIVE SUMMARY

- The City retained Kosmont to prepare the Economic Opportunities Study to supplement the 2025 & Beyond Plan and assist in the preparation of updated zoning and new land use policies for future Specific Plans.
- Today's consumers are using online websites for purchasing a broad array of goods. Current economic forces require new approaches to land use that explore concepts for public amenities and private attractions that help cities capture trips and thus "sales". Younger consumers, with increased use of media and digital communication, seek gathering places with restaurants, entertainment venues and experiential retail, rather than simply a collection of traditional store fronts. Another important group is the creative class of professionals. This dynamic workforce is attracted to communities with clustered centers, which provide a sense of vitality, diversity, convenience and a mix of work, entertainment, services, arts and culture.
- Kosmont is assisting the City in achieving its economic objective by providing a market analysis and recommendations for each district. The goal is to create a compelling experience for commercial uses and foster a sense of community to which people are drawn.

EXECUTIVE SUMMARY

- Pacifica is a unique coastal city with a variety of attractions, as well as multiple business districts.
- The City's commercial base is heavily weighted with grocery-anchored community centers with a limited number of hotel rooms and restaurants and no regional retail anchors, due to City's broad geographic spread.
- Commercial real estate rents and occupancy have been fairly stable over the past 10 years with little new development activity occurring in the City.
- Pacifica experiences a relatively high level of travel along Coast Highway with an estimated 10,700 cars (average daily traffic volume) passing the City southbound (~91% of those trips are from travelers who live outside Pacifica). Capturing a small percentage will significantly improve hotel and retail spending.
- FogFest (4th weekend in September) is the premier tourist event drawing as many as 60,000 visitors with approximately 80% outside of Pacifica. The 2022 event saw an estimated 20% increase in visits over 2019 according to Placer.ai data.

EXECUTIVE SUMMARY

- Pacifica has historically faced budget deficits, service reductions and inability to fund key projects. The City wants to identify opportunities that can spur economic development and increase revenues.
- The majority (67%) of City tax revenue comes from property taxes with only ~10% coming from sales taxes and 7% from hotel transient occupancy taxes (TOT) (much lower than statewide and oceanfront community averages).
- While the newly approved Measure Y will add a half-cent local sales tax (estimated to generate ~\$2.6 million annually) to help address the City’s structural deficit, the City should still develop strategies to generate additional tax revenues.

	FY2023 Budget
Property Taxes	\$ 15,181,300
Property Tax: VLF	5,922,400
Sales Tax (Bradley Burns 1%)	3,111,200
Cannabis Tax	825,000
Transient Occupancy Tax	2,100,000
Utility Users Tax	1,905,600
Business License Tax	516,600
Other Taxes	1,687,800
Total	31,249,900

EXECUTIVE SUMMARY

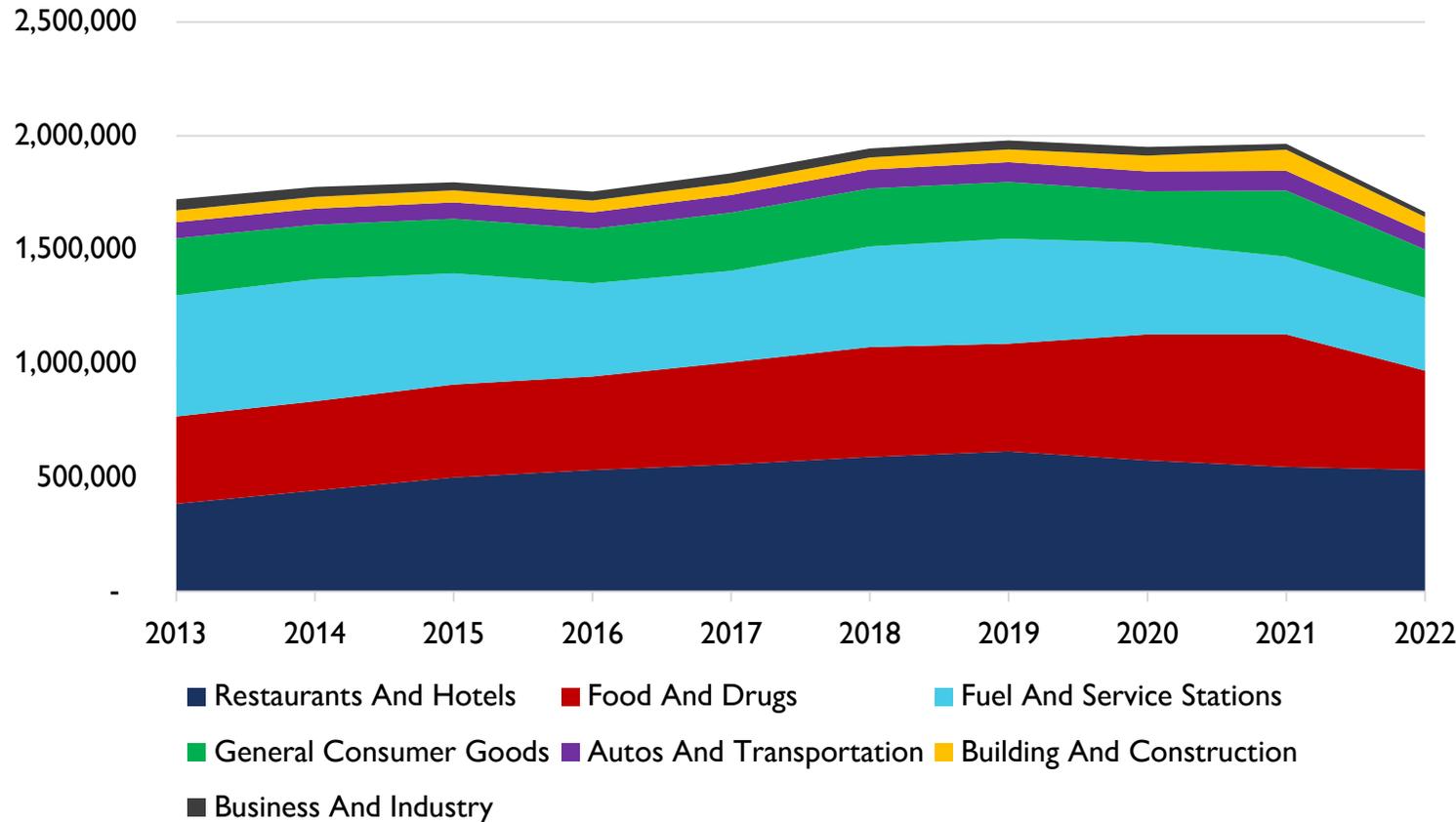
- While property taxes are the major revenue source, the tax revenue has grown at only a 4% compound annual growth rate (“CAGR”)
- Over the past decade Pacifica has seen sales tax growth of 7.2% - despite a 13% drop during the first year of pandemic.
- It is worth noting that Half Moon Bay and San Mateo County had sharper decline in sales during Covid
- Growth in internet sales across the State – and resulting County Pool distributions - is responsible for dominant share of tax growth in Pacifica.
- Actual onsite sales in Pacifica business has seen little or no growth since 2012
- City owns Beach Blvd. site that can be developed under unsubordinated ground lease, yielding inflation protected revenue sources, while retaining ownership.

See chart on following page and Appendix C for more detailed info

ECONOMIC OPPORTUNITIES STUDY

SALES TAX BY MAJOR INDUSTRY GROUP

EXCLUDES COUNTY POOL – INTERNET SALES



	FY 2022	%
Restaurants And Hotels	\$ 533,753	32%
Food And Drugs	435,707	26%
Fuel And Service Stations	319,643	19%
General Consumer Goods	212,915	13%
Autos And Transportation	71,429	4%
Building And Construction	70,940	4%
Business And Industry	20,982	1%

MARKET OVERVIEW

- The Pacifica regional **retail** market has seen limited new construction in the past 10 years, partially due to stable population. The City has captured ~33% of the regional supply in the local Peninsula Coastline submarket. Rents are relatively affordable, compared to most of the nearby submarkets in the San Francisco metro area.
- The regional **office** market has grown less than one percent over the past decade, with Pacifica seeing ~26% of demand in the Peninsula Coastline submarket. Office inventory has contracted over the past few years due to demolition activity and no new projects under construction. Rents are substantially below metro averages, with little rent growth in recent years.
- The **multi-family residential** market is generally strong in the area due to supply constraints, experiencing some volatility due to tech industry trends. Many renters left the urban areas of San Francisco during the pandemic, relocating to cheaper / suburban towns in the Bay Area; as San Francisco emerges from the pandemic, occupancy is above pre-pandemic levels.
- The **hotel** market has started to rebound in the region; the City has seen some new developments in recent years, and could be in a good position for future developments due to its scenic coastal location and close proximity to the Bay Area population centers.

ECONOMIC OPPORTUNITIES STUDY

ILLUSTRATIVE FISCAL IMPACT OF NEW DEVELOPMENT

To evaluate Pacifica economic opportunities and understand their impact on City revenues, the table below provides an illustration of incremental tax revenues potentially generated from various types of development on **a typical 1-acre parcel**:

	10,000 SF Commercial Services	10,000 SF Retail	10,000 SF Restaurant	50-unit Multifamily Housing	Mixed Use 40-units & 5,000 SF	60-room Upscale Hotel
Property Taxes + VLF in-lieu	\$10,000	\$10,000	\$15,000	\$65,000	\$55,000	\$50,000
Direct Sales & Use Taxes	\$25,000	\$50,000	\$75,000		\$25,000	
Indirect Sales & Use Taxes				\$20,000	\$15,000	\$35,000
Hotel TOT						\$300,000
Annual General Fund Revenues	\$35,000	\$60,000	\$90,000	\$85,000	\$95,000	\$385,000

STAKEHOLDER / COMMUNITY COMMENTS

Kosmont conducted extensive stakeholder and community outreach with dozens of in person interviews, a virtual town hall, a web-based survey and an in-person community meeting to present preliminary findings.

- Linda Mar / Sun Valley commercial area is the busiest district, followed by Sharp Park / Eureka Square
- Shopping for essentials (e.g., grocery / hardware) is the main reason residents shop in Pacifica
- Less than 20% of City residents frequent Pacifica arts / entertainment and leisure facilities
- Beautification of buildings, signage and more landscaping is desired
- More outdoor activities/dining options are desired

Key themes as to types of new development residents want to see in Pacifica:

- 85% of residents want to see new dining options
- 70% want to see more gathering places
- 65% want to see more entertainment venues
- 60% want to see more arts/cultural events
- 50% want to see more housing options

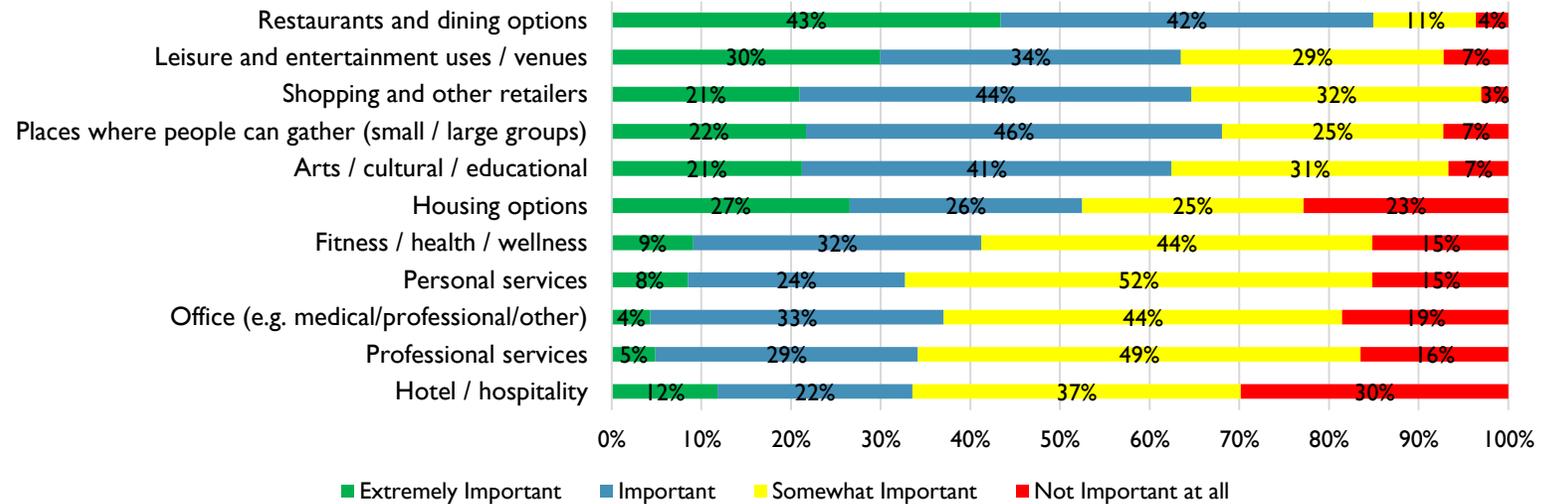
ECONOMIC OPPORTUNITIES STUDY

SURVEY RESULTS NEW DEVELOPMENT, IMPROVEMENTS, AND AMENITIES

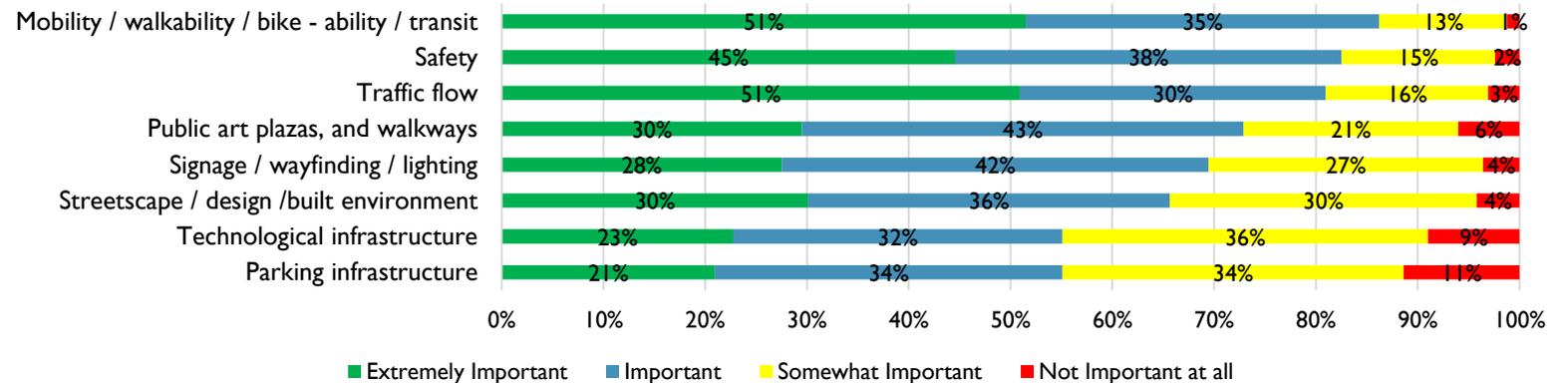
Respondents tend to value adding new restaurant / dining options, leisure / entertainment venues, and places where people can gather to the business districts. Adding housing was important to over 50% of respondents.

See Appendix D for additional survey results.

What type of new additional businesses / developments would you like to see in the business districts?



Which improvements/amenities should the City focus on in the business districts?



PACIFICA HIGHLIGHTS AND ATTRACTIONS

- The City's cliffs and Pacific Ocean coastline are a scenic setting for hiking, biking, surfing, fishing, and sightseeing.
- Pacifica is home to a variety of historic and cultural attractions, including Sanchez Adobe, Sam's Castle, Pacifica Pier, and Sharp Park Golf Course.
- The City is also home to a variety of restaurants, breweries, and wine bars, bringing local flavor and activity to its business districts.
- Potential for walkable communities with restaurants and other attractions within close proximity of each other, serves as an amenity for residents and visitors and supports vibrant commercial districts.



SWOT ANALYSIS – STRENGTHS

Pacifica has many strengths that the City and business community can promote to increase tourism and other commercial activity in the City:

- Sharp Park Specific Plan
- San Francisco and Half Moon Bay adjacency
- Coast / hiking access
- Sharp Park Golf Course
- Municipal Pier
- Fog Festival
- Sanchez Adobe Historic Museum
- Sam's Castle
- Sanchez Arts Center



Linda Mar Beach



Sharp Park Golf course

SWOT ANALYSIS – WEAKNESSES

There are several challenges the City can address:

- Coast Highway traffic jams at Sharp Park / Rockaway Beach limits residents from shopping on weekends
- Major infrastructure deficiencies – ranked the Bay Area’s worst roads, sites face infrastructure challenges that may add development costs
- Poor commercial signage, lack of freeway signage to identify business districts
- Some residents are over-protective of “small town feel”, conflate “small town feel” with “no new development”
- Trade area population does not support larger retailers that residents desire (i.e. Trader Joe’s)
- Poor transit service to San Francisco and San Mateo County
- Permitting process has been problematic (primarily with contract staff) according to a few business owners



SWOT ANALYSIS – OPPORTUNITIES

From stakeholder and community outreach, Kosmont has identified many opportunities:

- Capture share of 10,000 daily tourists traveling past / through City
- More events on Palmetto Ave. (e.g., food trucks) to support businesses
- Promote new hotels / upgrade Lighthouse Hotel facility
- Utilize Business Matters newsletter to promote digital marketing education / social media training and financial assistance for small businesses
- Install EV charging facilities in shopping districts to attract tourists for lunch or dinner
- Social events for cannabis customers will bring visitors from large region
- Sharp Park Golf Course could be promoted as it is historic and a beautiful resource
- Quarry property is the key economic development opportunity to expand Rockaway destination
- Chamber could provide hotels with monthly Pacifica Anchor and Coastside magazines
- RHNA requirement for ~1,900 housing units translates into millions of dollars in assessed value and spending



Quarry Site

SWOT ANALYSIS – THREATS

There are many threats to attracting new development to Pacifica in the near term:

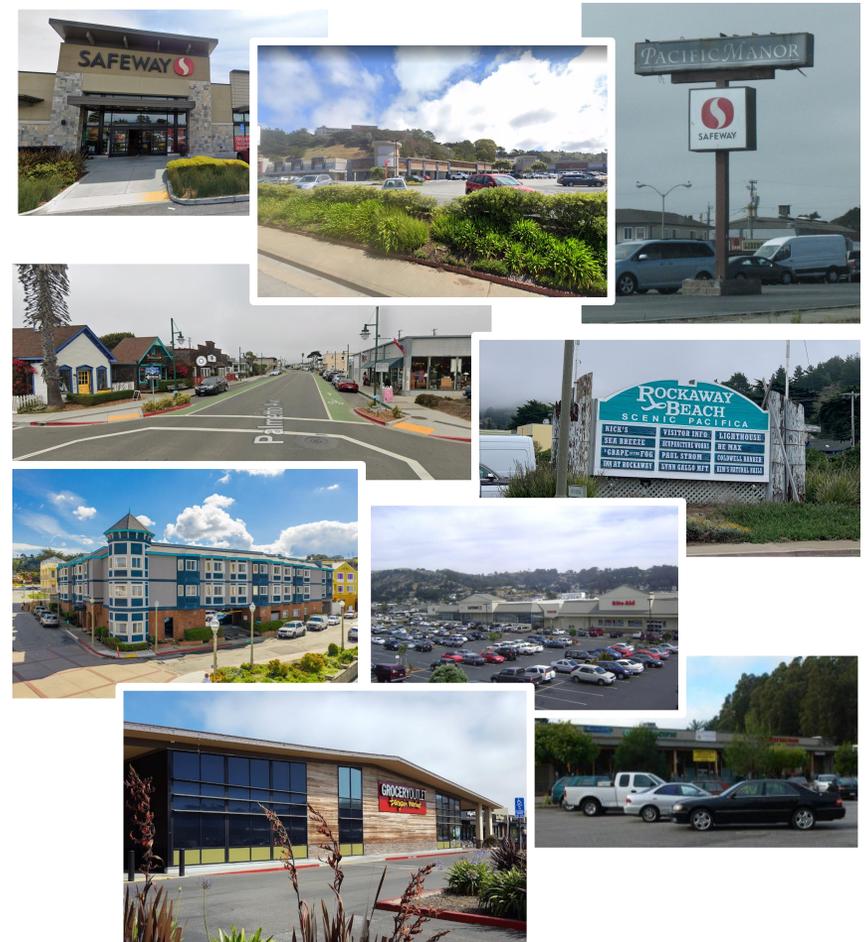
- Surplus Land Act (“SLA”) restricts City’s ability to sell or lease land for new commercial and market rate residential development (see discussion in Chapter 4)
- Half Moon Bay continues to capture vast majority of regional tourism
- Coastal Commission permitting uncertainty on land west of Hwy 1
- While sea level rise and coastal erosion have citywide impacts, they significantly impact new development in Rockaway and Manor
- Wastewater treatment plant expansion may be needed to support significant new project development
- Macroeconomic environment (inflation, high construction costs, high interest rates) increases the risk of ground-up development



Nick’s restaurant beach erosion

COMMERCIAL DISTRICT OBSERVATIONS

<p>Pacific Manor / Fairmont</p>	<p>Gateway to City from the north; large concentration of retail and residential; two main shopping centers, largest sales tax generating district; challenges with signage, vacancy, landowner coordination</p>
<p>Sharp Park / Eureka Square</p>	<p>Specific Plan - Palmetto Ave. identified as desired location for “downtown” Pacifica, some vacant parcels in area; Upgraded façade at Eureka Square improves shopping center environment</p>
<p>Rockaway Beach / Vallemar</p>	<p>Main tourism center, district has largest concentration of hotel rooms and restaurants, but limited parking facilities; multiple landowners; could use an e-bicycle rental facility</p>
<p>Linda Mar / Sun Valley</p>	<p>Gateway to City from the south; Linda Mar Center is professionally management / institutional ownership; District has largest concentration of retail and residential</p>
<p>Pedro Point</p>	<p>Poor access with entrance located off Coast Highway; Vibrant retail center with Grocery Outlet rehab and new fitness center</p>



DISTRICT OPPORTUNITY SITES *

* DETAILED SITE INFO IN CHAPTER 4

<p>Pacific Manor / Fairmont</p>	<p>No undeveloped sites Shopping center refurbishment needed at Pacific Manor</p>
<p>Sharp Park / Eureka Square</p>	<p>Beach Blvd. site well suited for hotel / commercial development Other vacant parcels on Palmetto Ave. suited for potential blended-use residential over retail development</p>
<p>Rockaway Beach / Vallemar</p>	<p>Quarry site is a strong development opportunity site for expansion of important tourism facilities. Sea Bowl parking has potential for higher density blended-use</p>
<p>Linda Mar / Sun Valley</p>	<p>Linda Mar Center surplus parking can be potential residential / mixed-use development; Park Mall – vacant commercial parcels and library site; SamTrans Park and Ride could be relocated for higher use on site</p>
<p>Pedro Point</p>	<p>No suitable sites available for commercial development; Shopping center tenants are performing well</p>



RECOMMENDATIONS FOR CONSIDERATION CITYWIDE STRATEGIES

Improve Economic Health of City Businesses

- Utilize Business Matters newsletter to promote digital marketing education / social media training and financial assistance for small businesses
- Install EV charging facilities in shopping districts to attract tourists for lunch or dinner
- Chamber could provide hotels with monthly Pacifica Anchor and Coastside magazines
- Staff to act as City ambassadors with local property/business owners – How do we get to a “Yes” on permitting issues?
- Work with Pacifica businesses and Chamber of Commerce to understand and address needs for future growth and business retention as well as signage and façade improvements
- Coordinate regional marketing with Half Moon Bay
- Promote events in various districts (i.e., Sam’s Castle, Sanchez Adobe, Sanchez Art Center)

Create “Downtown” District

- Transform Palmetto Ave. in Sharp Park into a downtown district
- Promote more events on Palmetto Ave. (e.g., food trucks) to encourage tourists and resident visitors to stay longer
- Social events for cannabis customers will bring visitors from large region
- Sharp Park Golf Course could be promoted as it is historic and a beautiful resource
- Consider July 4th fireworks off Pier – coordinate with local businesses to create daylong events along Palmetto Ave.
- Beach Blvd. opportunity site could be activated with commercial uses
- E-bicycle rental center would be good draw for visitors

DISTRICT RECOMMENDATIONS FOR CONSIDERATION

Pacific Manor / Fairmont	Sharp Park / Eureka Square	Rockaway Beach / Vallemar
<p>There were no significant development sites found in the Pacific Manor or Fairmont neighborhood, but Kosmont recommends upgrading the signage and appearance of the Safeway anchored center.</p>	<p>There are several sites suitable for development within the Palmetto Ave. corridor to create a downtown district:</p> <ul style="list-style-type: none"> • Beach Blvd 3.5 acre former wastewater treatment site • Five Palmetto Ave. parcels – from 0.11 to 0.36 acres each 	<p>There are two opportunity sites Kosmont identified:</p> <ul style="list-style-type: none"> • The flat 20-acre portion of Quarry site is recommended to be considered for high-end hospitality development to expand amenities for Rockaway as a major tourist location • The parking lot of the Sea Bowl site may be considered for medium to high density blended-use housing/commercial
<p><i>Next Steps:</i></p> <ul style="list-style-type: none"> • City should work with the Manor shopping center owners to encourage rehabilitation and/or renovation of center signage and store front façade • Work with State to add Coast Highway signage announcing Pacifica Business district 	<p><i>Next Steps:</i></p> <ul style="list-style-type: none"> • Discuss benefits of the recently adopted Specific Plan with property owners • Recommend that the City work with City and County of San Francisco to expand activities and promotion of the historic and beautiful Sharp Park Golf Course • City needs go through the State HCD's Surplus Land Act to clear Beach Blvd. site for development opportunities 	<p><i>Next Steps:</i></p> <ul style="list-style-type: none"> • Work with ownership to upgrade Lighthouse Hotel facility • Initiate Specific plan process with ownership / encourage low density visitor serving uses along with residential uses

DISTRICT RECOMMENDATIONS FOR CONSIDERATION

Linda Mar / Sun Valley

There are four opportunity sites Kosmont identified:

- The surplus parking area behind Safeway is recommended to be considered for high density blended use residential / commercial or replacement site for Park & Ride lot
- The SamTrans park & ride lot is in high value location
- The Community Center and parking lot at 540 Crespi are high value properties
- Park Mall / Sanchez Library undeveloped parcels are lower priority sites

Next Steps:

- Open discussions with SamTrans to create commercial development site on the Park & Ride lot across from Linda Mar Shopping Center
- Analyze commercial opportunities for Community Center site across from Linda Mar Beach. How much building area is available for commercial uses?
- Discuss residential blended-use development options for surplus parking area behind Safeway with owner of Linda Mar shopping Center (Kimco)

Pedro Point

Pedro Point is the smallest district by geographic area and commercial SF. The Pedro Point shopping center is successful, and no redevelopment opportunities were identified. Vacant land to the west has Coastal Commission and City restrictions impacting development potential.

Next Steps:

- Kosmont has no specific recommendations relative to Pedro Point

ECONOMIC OPPORTUNITIES STUDY



2. ECONOMIC / LAND USE TRENDS

Pacifica Economic Opportunities Study

ECONOMIC AND LAND USE TRENDS

➤ Retail

- Retail store closures, bankruptcies, and e-commerce has changed economics of retail centers. Many are being reimagined (e.g, blended use)
- Retail is driven by trip-generators such as entertainment, experience, and essentials

➤ Office

- Downtown S.F. office building vacancy rising as remote work becomes new normal; Social distancing leads to offices resizing/reconfiguring
- Corporations see possible shift to suburban offices - Integrating office in blended use environments;

➤ Industrial

- E-commerce growth has exploded
- Retail and industrial are merging, with space being used for Buy Online Pick Up in Store (BOPIS), fulfillment, last mile and warehousing

➤ Residential

- Homes are live, play, **and work** environments
- Strength in suburban markets; Home office is the new amenity, Apartment developments are being designed to facilitate work
- New residential sites in shopping centers

➤ Hospitality

- Hospitality sector hurt the most by Covid-19, but leisure travel is rebounding

ECONOMIC OPPORTUNITIES STUDY



Housing is Not a Loss Leader, it's a Growth Driver

Retail is Not Just Retail Anymore

Telework is Reconfiguring Office

Industrial / Distribution is Critical for Your Economy

Housing Creation as Economic Development

Retail Reimagination as Economic Development

Office Conversions as Economic Development

Industrial & Fulfillment as Economic Development

- New housing can generate significant new tax revenues and support local jobs
- Housing is not necessarily a net negative fiscal impact, especially at current property values

- U.S. retail over-built and needs “right sizing;” Covid accelerated trends; today its about essentials, experience & e-commerce
- Blended/mixed use projects integrate multiple uses (housing, retail, open space, creative office, hotel)

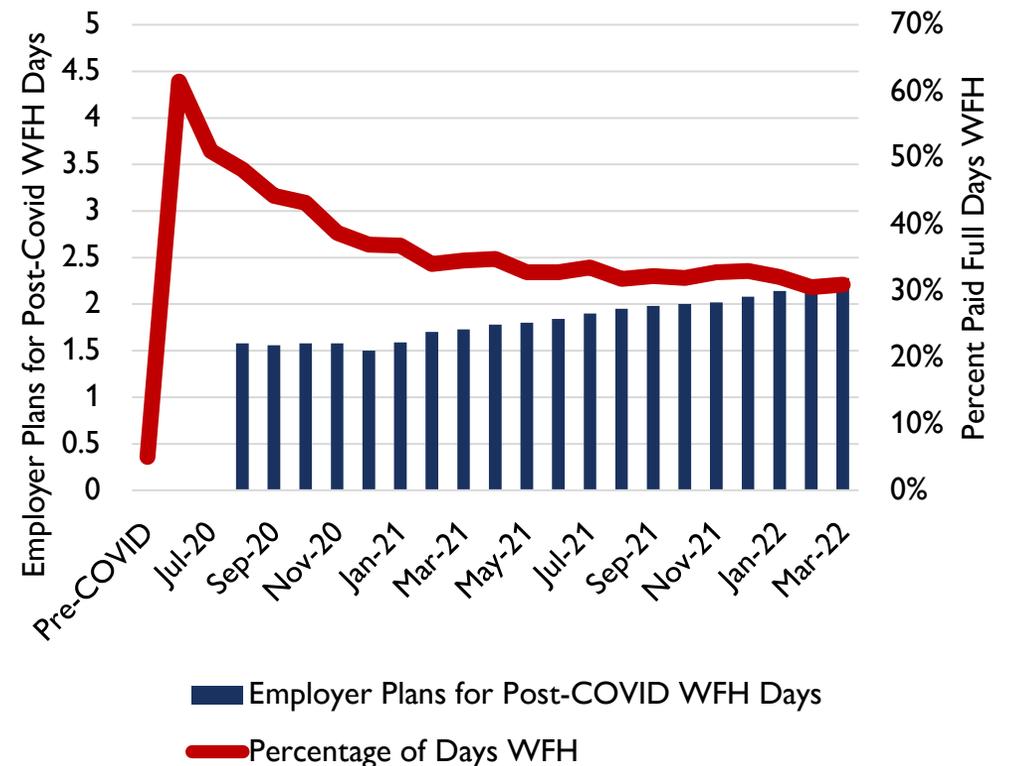
- Telework and work from home options are reshaping the needs for office space and business districts
- Job redistribution tied to housing
- Vacancies can lead to fiscal impact pressure

- Modern industrial is not “your father’s industrial” – not smokestacks
- Retail can’t thrive without distribution
- Booming demand for distribution, e-commerce, and data centers, blending for fulfillment/delivery, job creators

WORK-FROM-HOME GROWTH

- Work-from-home is changing where people choose to live, and increases popularity of “15-minute communities” that offer amenities and quality of life.
- Census Bureau estimated that ~44% of workers are in jobs where working from home is currently feasible, with only a quarter of those in feasible telework jobs actually utilizing this capability.
- Research shows the ability to telework likely varies by educational attainment and income-level; many of the telework occupations are Management / Business / Financial / Professional occupations. Opportunity for Pacifica new residential units.
- Other research shows that work-from-home represent ~30% of days, significantly above pre-pandemic estimates of 5%.
- Employers are expecting an average of 2.3 work-from-home days per week, suggesting that hybrid home/office model is likely to be well-utilized post-Covid.

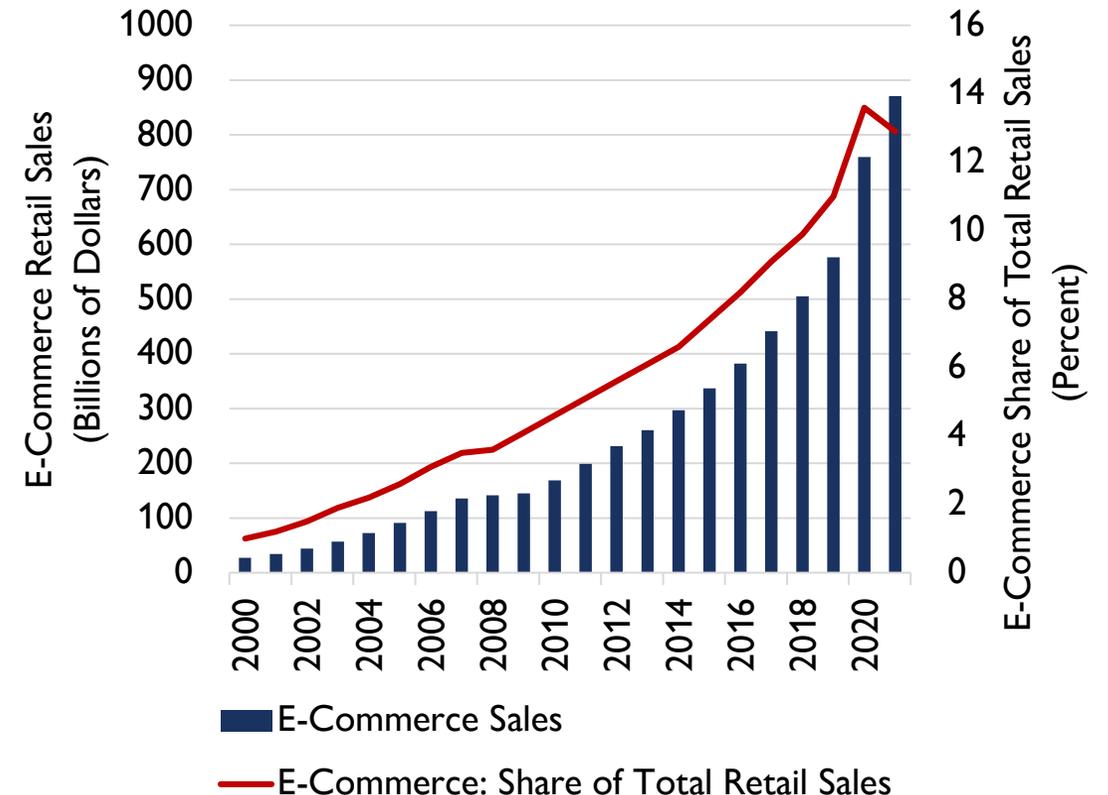
Work-from-Home: Current Utilization and Employer Plans for post-Covid



E-COMMERCE GROWTH

- E-commerce sales in the U.S. have increased steadily, jumping by 30% to \$800 billion annually by Q2 2020 due to increased utilization during the Covid-19 pandemic. This put additional pressure on local brick-and-mortar retailers. Post pandemic retail mall shopping has recovered somewhat.
- According to UBS, e-commerce's share of overall U.S. retail sales will continue to increase over the next 5 years, resulting in a loss of brick-and-mortar sales, primarily in clothing, office supply and sporting goods.
- Consumer online shopping behavior has further solidified during the Covid-19 pandemic, and is not likely to revert to old patterns, thanks to free 1-day delivery services, etc.

E-Commerce Retail Sales



RETAIL TRENDS

- Shopping centers across the U.S. are faced with dramatic decline in retail sales as the digital economy converts the lifestyles and social patterns of every generation. Today's consumers use online websites for purchasing many hard and soft good commodities.
- Several hundred regional malls have closed in past 5-10 years. By 2025, experts expect only Class-A malls in high income communities are most likely to survive.
- The impacts from e-commerce will have major impacts on large shopping centers in the region, particularly power centers. Pacifica is in relatively good position as community retail centers with the strongest opportunity for future growth are those focused on essentials and experiences.
- Shopping districts that are centered around experiences, entertainment, and essentials are best poised for economic resiliency and future success.
- The future for retail centers in Pacifica lies in fostering experiential, entertainment uses and restaurants. Blended use projects that bring additional uses to retail sites (such as hospitality, last-mile logistics, and multifamily residential) can bring more customers to the stores and thus be a more sustainable and diversified development that serves the community.

ECONOMIC OPPORTUNITIES STUDY

It's About Convenience



It's About Experience



It's About Blended Use



WHAT DRIVES AN ENGAGING RETAIL EXPERIENCE?

Thoughtful Design	Programmed Outdoor Space	Communal Elements	Unique Amenities	Unique Food Offerings	Curated Retail Tenants
<ul style="list-style-type: none"> • Feels like an exciting destination • Celebrates local character • Fosters a specific vibe/feeling • Feels fresh and innovative 	<ul style="list-style-type: none"> • Fun and welcoming environment to gather and hang • Fresh air elevates dining and shopping experience • Mood lighting and aesthetics lifts the ambiance 	<ul style="list-style-type: none"> • Shared community experiences • Encourage conversation and connection • Examples: breweries, distilleries, coffee / tea 	<ul style="list-style-type: none"> • Unexpected entertainment attracts and retains customers • Memorable and engaging • Examples – arcade games, photo booths, lawn games, art installations 	<ul style="list-style-type: none"> • Interesting and culturally rich food options • Reflects local flavor, authentic, interesting fusion • Exciting to try, drives additional visits 	<ul style="list-style-type: none"> • Tenants and pop-ups create a reason to come • Digital brands with brick-and-mortar spaces • Curated products that create a desirable shopping experience • Local / exclusive products

ECONOMIC OPPORTUNITIES STUDY

ENGAGING RETAIL EXAMPLES



Stone Brewing Beer Garden Communal Outdoor Spaces



Upscale Design Elements



Rodeo39 Curated Retail & Food



Outdoor Amenities

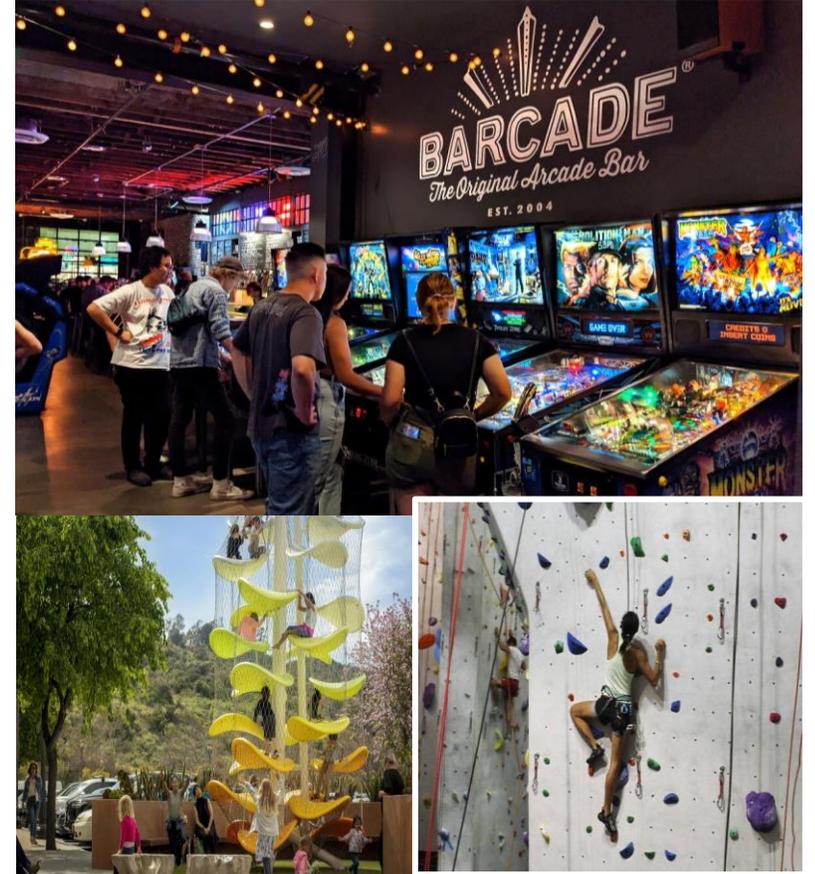


Steelcraft Curated Food

EXPERIENTIAL ENTERTAINMENT RETAIL CONCEPTS

Experiential retail / entertainment concepts have been merging food, drinks, and entertainment into engaging experiences. This includes:

- Movie Theater concepts such as Alamo Drafthouse that deliver an improved theater experience with better seating / design and elevated food / beverage.
- Bowling concepts such as Bowlmor and Lucky Strike, which provide a more upscale experience in a lounge setting
- Smaller format sports / activities concepts such as Puttshack, Spin Ping Pong, rock climbing gyms, ax throwing, escape rooms, laser tag, and trampoline parks.
- Larger format sporting / activities, including Topgolf and SFC sports facilities
- Personalized retail services, such as clothing and accessories stores that offer in-store services and customization
- Interactive exhibits, including art galleries, installations, and other cultural offerings
- Gaming concepts such as arcade bars, pinball, virtual reality gaming, and e-sports



CASE STUDY VILLAGE CENTER / RODEO 39

Village Center / Rodeo 39 is an example of an experiential retail / housing blended use project that serves as an entertaining destination and hub for the community. It also demonstrates how adding residential can generate demand for retail on the site and add value to a project.

The Village Center shopping plaza in Stanton was a blighted 24-acre shopping site that had significant vacancy issues. The site's retail component was rightsized down to 10-acres of the site, with a "town square" environment anchored by the Rodeo 39 curated public market. A new multifamily housing project was built on the remainder of the site.

Food and entertainment – particularly curated local offerings – was the foundation of the public market, a new 41,000 SF retail and dining space. Rodeo 39 has been a great success, with the local community embracing the eclectic destination.

The project also added a variety of entertaining and experiential offerings that encourage people to spend more time – a wide variety of cultural dining, small stage for live music performances, retro arcade / games, boutique tattoo artists, pop-up shops, and a variety of indoor and outdoor seating and gathering areas.



AERIAL PHOTO

VILLAGE CENTER / RODEO 39



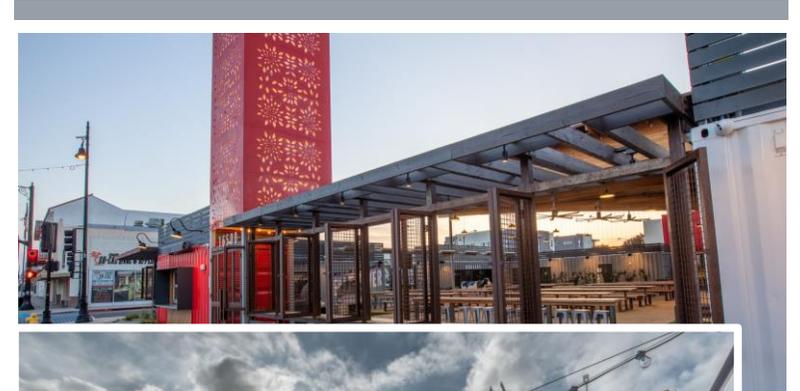
CASE STUDY - STEELCRAFT FOOD COURTS

SteelCraft projects are good examples of experiential outdoor food halls built out of repurposed metal shipping containers that can activate a small site with relatively low capital costs. The containers are prepared for tenant improvements by insulating the walls, cutting windows, preserving structural integrity, and adding ventilation. The following projects have become well-loved destinations for both locals and visitors.

SteelCraft Long Beach was created from 10 repurposed shipping containers into an outdoor eatery, reactivating the corner of Long Beach Blvd and Bixby Rd with bright red containers, string lights, landscaping, and community-style seating. Tenants include craft food / deserts, beer / wine, and more. The 15,000 SF development was developed by Howard CDM in 2016.

SteelCraft Bellflower is comprised of 14 shipping containers that house 9 businesses – local craft foods / desserts, coffee shop, microbrewery / tap room, wine vendor, and communal dining areas. The project was developed on a 15,000 SF undeveloped parcel, at an estimated cost of \$4.5 million.

SteelCraft Garden Grove is comprised of 22 shipping containers that host a variety of businesses, including local craft food / desserts, coffee, craft brewery / taproom, wine vendor, vintage video arcade, incubator office space, and communal dining areas. The site also includes a stage for live entertainment, shared table seating, and intimate spaces set in organic garden / citrus trees. The project was developed on a 1.9 AC site at an estimated cost of \$5 million.



CASE STUDY

UNIQUE HOTEL CONCEPTS IN NATURAL SETTING

There are several unique hospitality concepts Kosmont researched that may fit well in Pacifica:

- On 20+ acres of environmentally sensitive oceanfront lands in California, a “confidential” development has been proposed that is designed to provide low rise luxury bungalow accommodations together with fine dining and event space with public trails that connect to adjacent waterfront properties
- On an Oregon waterfront site, a hospitality concept incorporated airstream trailers together with luxury bungalows and communal dining hall
- On a 2-acre infill parcel in Ojai, an Airstream trailer Village called Caravan Crossing was developed – transforming a blighted industrial property into an urban oasis with Airstream trailers that provide overnight accommodations
- On a +4-acre narrow site on Ventura waterfront-adjacent parcel, a similar concept was developed called Waypoint Ventura charging \$175 per night for Airstream trailers in a communal setting

LUXURY HOSPITALITY & RETAIL ON OCEANFRONT BLUFF



ECONOMIC OPPORTUNITIES STUDY

SMALL INFILL PARCEL – AIRSTREAM HOSPITALITY





3. BUSINESS DISTRICT ANALYSIS

Pacifica Economic Opportunity Study

PACIFICA DISTRICTS

FIVE BUSINESS DISTRICT AREAS WERE IDENTIFIED FOR THE OPPORTUNITY ANALYSIS

Boundaries based on Pacifica Business District boundaries

Sources:
ESRI BAO Online, City of Pacifica



ECONOMIC OPPORTUNITIES STUDY

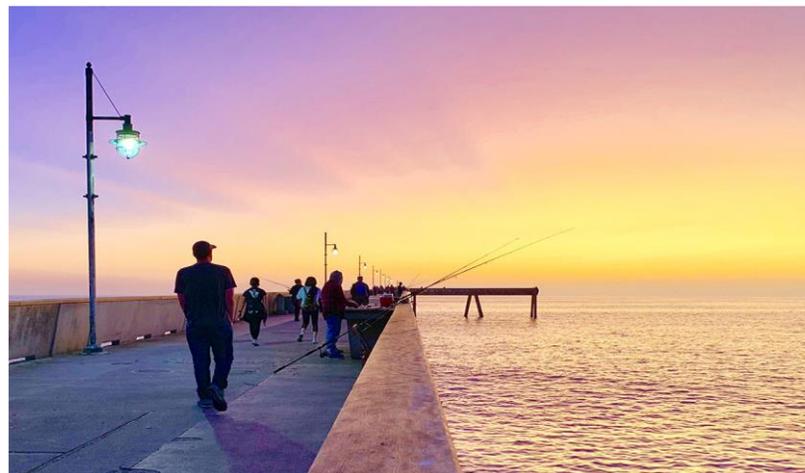
DISTRICT DEMOGRAPHIC SUMMARY

	Pacific Manor / Fairmont	Sharp Park / Eureka Square	Rockaway Beach / Vallemar	Linda Mar / Sun Valley	Pedro Point	Citywide
Population	14,600	4,600	3,400	15,000	900	38,500
Households	4,990	1,910	1,270	5,570	350	14,060
Avg HH Size	2.9	2.4	2.6	2.7	2.6	2.7
Median Age	40.7	43.7	46.5	46.8	47.4	43.9
Education: Bach Degree +	51%	55%	55%	47%	76%	51%
Median Household Income	\$146,500	\$137,300	\$160,300	\$141,100	\$200,000	\$146,600
Average Household Income	\$181,200	\$177,400	\$220,500	\$169,800	\$285,400	\$182,100
Median Home Value	\$1,024,600	\$1,169,900	\$1,211,400	\$1,035,200	\$1,348,400	\$1,076,100
Owner Occupied Housing Units	64%	50%	85%	79%	68%	70%
Median Year Housing Unit Built	1967	1967	1961	1964	1966	1965
Median Year Moved into Unit	2010	2012	2003	2003	2010	2007

HIGHLIGHTS AND ATTRACTIONS

Pacifica is home to a variety of historic and cultural attractions, including:

- Sanchez Adobe, a living history site occupied since prehistoric indigenous times.
- Sam's Castle, a castle built in 1908 with a storied history, filled with works of art and antiques that is available for special events.
- Pacifica Pier, attracting fisherman and sightseers observing humpback and gray whales.



HIGHLIGHTS AND ATTRACTIONS

Sharp Park Golf Course is a public golf course that features incredible views of the Pacific Ocean and Pacifica's cliffs. It is owned by the City and County of San Francisco.



The course was designed by Alister Mackenzie – a famous golf architect who has designed courses across the globe, including the Augusta National Golf Club in Georgia and Cypress Point Club in Carmel.



ECONOMIC OPPORTUNITIES STUDY

PACIFICA RESTAURANTS

Pacifica is home to a variety of restaurants, breweries, and wine bars – bringing local flavor and activity to its business districts.

Many of the best walkable cities have many restaurants within close proximity of each other, which can serve as an amenity for residents and visitors and supports vibrant commercial districts.

A Grape in the Fog Wine Bar, \$\$, 4.3	Nick's Restaurant Seafood, \$\$, 3.7
Breakers American, \$\$, 4	Oasis Vietnamese Cuisine Vietnamese, \$\$, 3.9
Buona Italia Caffè Italian, \$\$, 4.9	Pacifica Brewery Brewery, \$\$, 3.9
Dinosaurs Vietnamese, \$\$, 4.1	Pacifica Thai Cuisine Thai, \$\$, 3.4
El Toro Loco Mexican, \$\$, 3.9	Puerto 27 Peruvian Kitchen & Pisco Bar Peruvian, \$\$\$, 3.6
Gorilla Barbeque Barbeque, \$\$, 3.9	Redeye Grill Mediterranean, \$\$, 4.6
Grand HotPot Hot Pot, \$\$, 4.1	Soul Rice Chinese, \$\$, 4.7
High Tide Creperie, Café, \$\$, 3.7	Table Wine Wine, \$\$, 4.9
Humble Sea Brewing Company Brewery, \$\$, 4	Taqueria La Perla Mexican, \$\$, 4.1
Kenny's Café Chinese, \$\$, 4.1	Taqueria Pacifica Mexican, \$\$, 4.2
Kitten and Pinky Vietnamese, \$\$, 4.6	Taqueria Pacifica Mexican, \$\$, 4.2
La Playa Mexican, \$\$, 3.2	The Green Enchilada Mexican, \$\$, 3.8
Longboard Margarita Bar Mexican, \$\$, 3.9	Top Pot Hot Pot, \$\$\$, 4.7
Lovey's Tea Shoppe Tea Room, \$\$, 4.4	Uoyakutei Japanese Restaurant Japanese, \$\$, 3.7
Moonraker Restaurant Seafood, \$\$\$, 3.8	Viva Italiano Italian, \$\$, 3.1

ECONOMIC OPPORTUNITIES STUDY

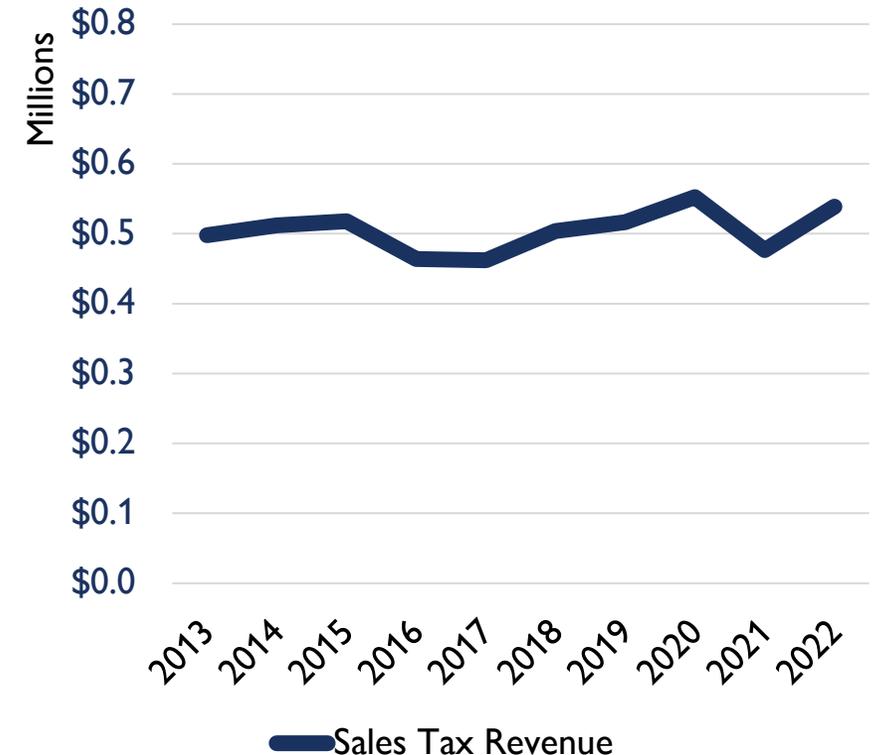


PACIFIC MANOR / FAIRMONT

PACIFIC MANOR / FAIRMONT OVERVIEW

- Pacific Manor / Fairmont area have two shopping centers:
 - Fairmont Shopping Center, a 52k+ SF Safeway anchor center near Hickey Blvd & Skyline Blvd in the northeast portion of the City
 - Pacific Manor is also anchored by Safeway and a variety of small retailers and restaurants at northern entrance to City
- Residential neighborhoods include single-family as well as clusters of multifamily properties.
- District is home to ~5,000 households and 14,600 people. Area is slightly younger relative to the City median age, and has household incomes close to the City average.
- 10-year retail sales tax data from HdL shows this area is the largest sales tax generator of the five districts (~\$540k in 2022), but sales have barely increased over 2014 levels, the worst performance of any district.

**Pacific Manor/Fairmont:
Sales Tax History**



AERIAL PHOTOGRAPHS OF SHOPPING CENTERS



Fairmont Shopping Center
Safeway, Rite Aid, Shops & Restaurants



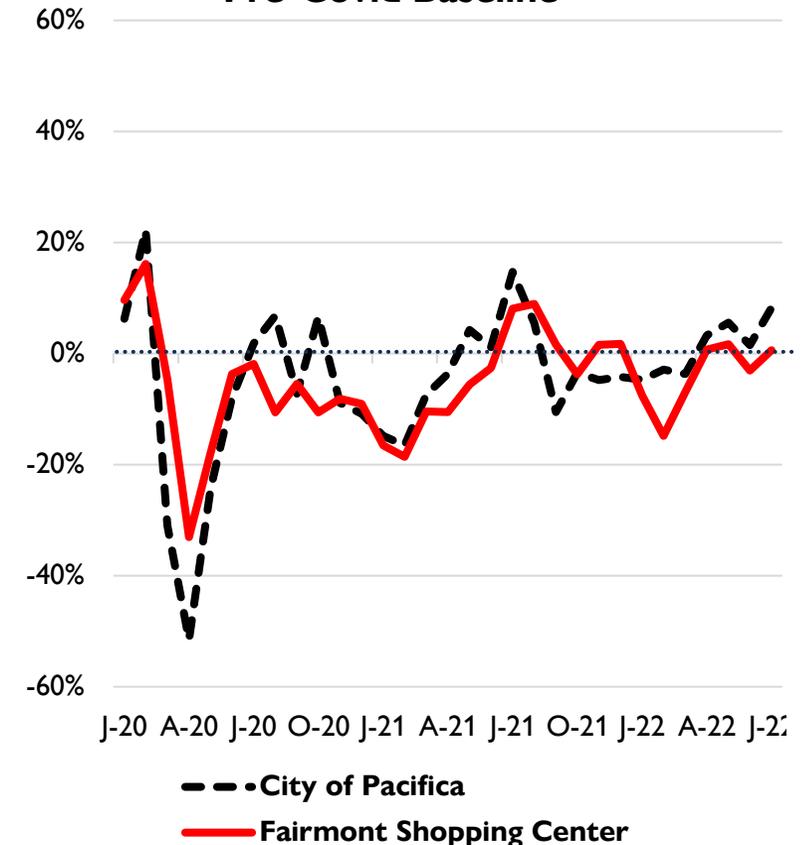
Pacific Manor Shopping Centers
Safeway, Walgreens, Shops & Restaurants

FAIRMONT SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

- Fairmont Shopping Center experienced ~30,000 weekly visitors, generally in-line with the pre-Covid baseline and Pacifica’s overall post-Covid visit recovery.
- Many visitors are from Pacifica, Daly City, and San Francisco; 64% of visitors live within 3 miles of the center.
- Visits to the center peak between 4 - 5 pm.
- Visits are generally stable across the week, with slightly higher levels Friday – Saturday.

Current Visitor Data	
Annual Visits	1.6 mil
Median Weekly Visits	29,800
Visit Frequency	6.3 visits / year
Median Visit Length	29 min.
Avg. HH Income	\$119k
<i>*Visits between 8/21 – 7/22</i>	

Visitor Traffic: Comparison to Pre-Covid Baseline



FAIRMONT SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	440,000	28%
Daly City	470,000	30%
San Francisco	230,000	15%
South San Francisco	110,000	7%
San Bruno	90,000	6%
San Mateo	10,000	1%
San Jose	10,000	1%
Half Moon Bay Area	10,000	1%
1 - 3 Miles	980,000	63%
3 – 10 Miles	380,000	24%
10+ Miles	190,000	12%

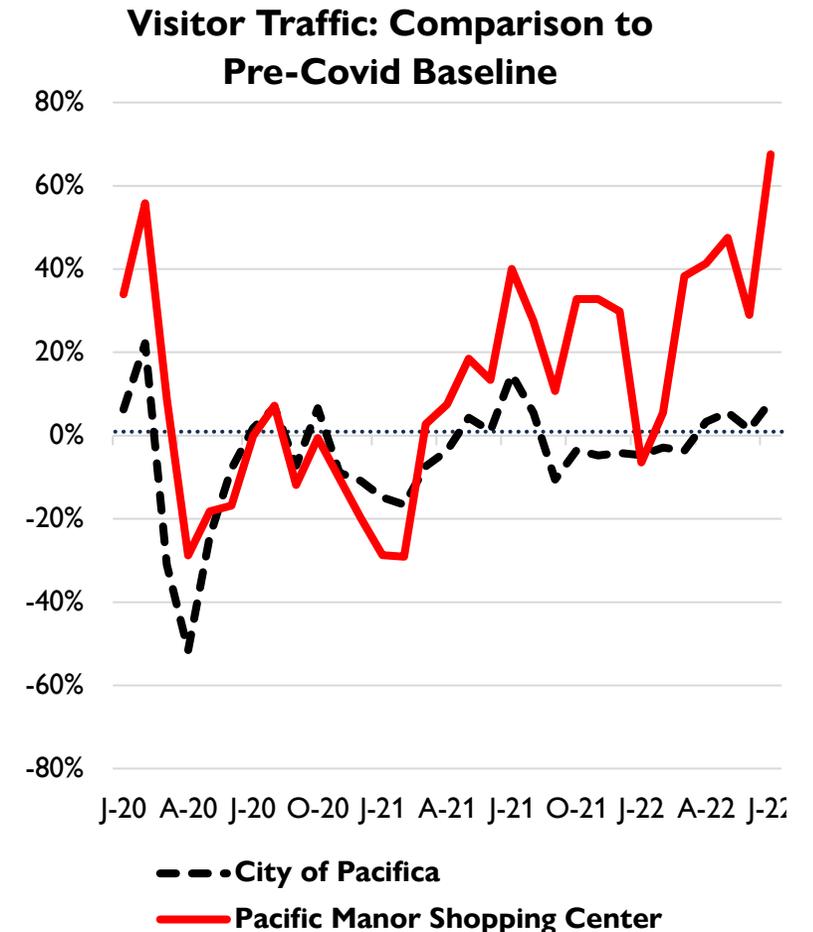
Fairmont Shopping Center True Trade Area



PACIFIC MANOR SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

- Pacific Manor Shopping Center experienced ~16,800 weekly visitors over the past year – approx. 40% above the pre-Covid baseline.
- Most common visitor home locations are San Francisco, Pacifica, and Daly City; 43% of visitors live within 3 miles of the center.
- Visits to the center peak between 6 - 8 pm, with a secondary peak between 1 - 3pm.
- Visits are strongest Friday – Sunday, with ~51% of weekly visits occurring on those days.

Current Visitor Data	
Annual Visits	865,900
Median Weekly Visits	16,800
Visit Frequency	3.4 visits / year
Median Visit Length	36 min.
Avg. HH Income	\$120k
<i>*Visits between 8/21 – 7/22</i>	



PACIFIC MANOR SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	320,000	37%
Daly City	100,000	11%
San Francisco	180,000	20%
South San Francisco	50,000	5%
San Bruno	20,000	2%
Half Moon Bay Area	20,000	1%
San Jose	10,000	1%
San Mateo	10,000	2%
1 - 3 Miles	370,000	42%
3 – 10 Miles	300,000	34%
10+ Miles	210,000	24%

Pacific Manor Shopping Center
True Trade Area



PACIFIC MANOR / FAIRMONT FINDINGS

Pacific Manor Center Area

- Gateway to City from the north
- Challenges with signage, vacancy, coordination of multiple landowners
- Large concentration of retail and residential development
- No undeveloped sites – will require redevelopment of existing properties
- Substantial refurbishment of Pacific Manor Shopping Center needed

Fairmont Center Area

- Strong grocery-anchored center surrounded by residential neighborhoods, draws visitors from Pacifica as well as other nearby cities
- No undeveloped sites – healthy neighborhood shopping center

PACIFIC MANOR / FAIRMONT RECOMMENDATIONS

There were no significant undeveloped sites found in the Pacific Manor or Fairmont neighborhood.

- Kosmont recommends upgrading the signage and appearance of the Safeway anchored Manor Shopping Center Safeway.
- Create Coast Highway and offramp visible signage announcing Pacifica Business District

Timing

Meetings with Manor owners and State officials would be a near term priority

Next Steps:

- City should work with the Manor shopping center owners to encourage rehabilitation and/or renovation of center signage and store front façade
- Work with State to add Coast Highway signage before first exit from the north

ECONOMIC OPPORTUNITIES STUDY

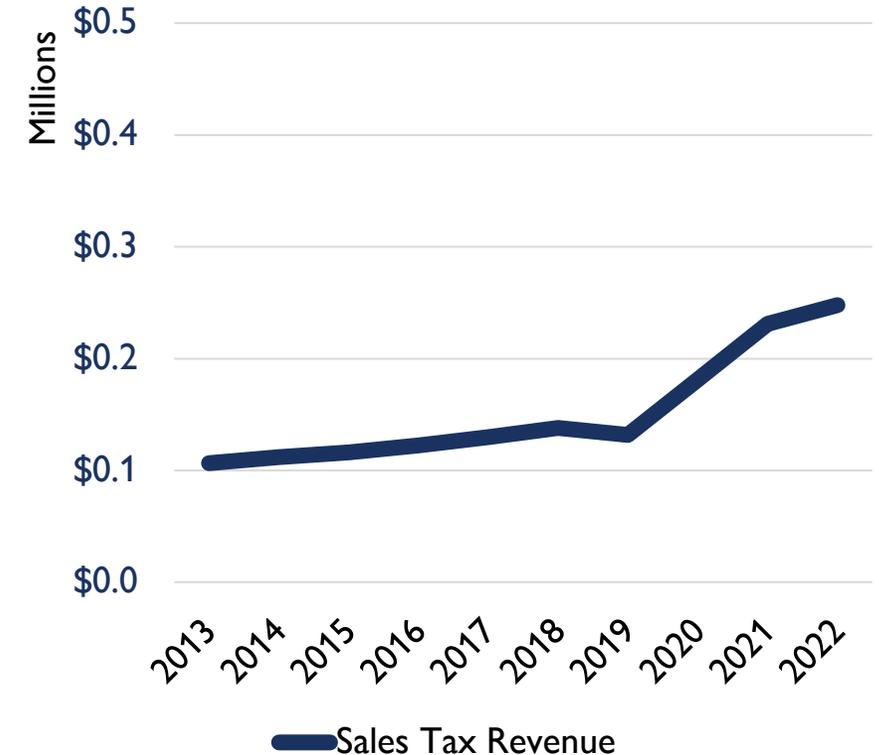


SHARP PARK / EUREKA SQUARE

SHARP PARK / EUREKA SQUARE OVERVIEW

- Sharp Park / Eureka Square district:
 - Eureka Square, a 93k+ SF neighborhood center anchored by Oceana Market east of Hwy 1
 - Small strip centers and other freestanding retailers along Palmetto Ave and Francisco Blvd
 - High concentration of multifamily properties
- District is home to ~1,900 households and 4,600 people. Area has a median age close to the Citywide benchmark, and has household incomes that are slightly below the City average. Area has the highest percentage of renter occupied housing units (50%) of the five districts.
- 10-year retail sales tax data from HdL shows this district generated ~\$250k in sales tax in 2022, with significant growth over the past 10 years (9.8% CAGR), particularly since 2020.

Sharp Park/Eureka Square: Sales Tax History



AERIAL PHOTOGRAPHS



Palmetto Ave

Retail Shops, Small Offices & Restaurants



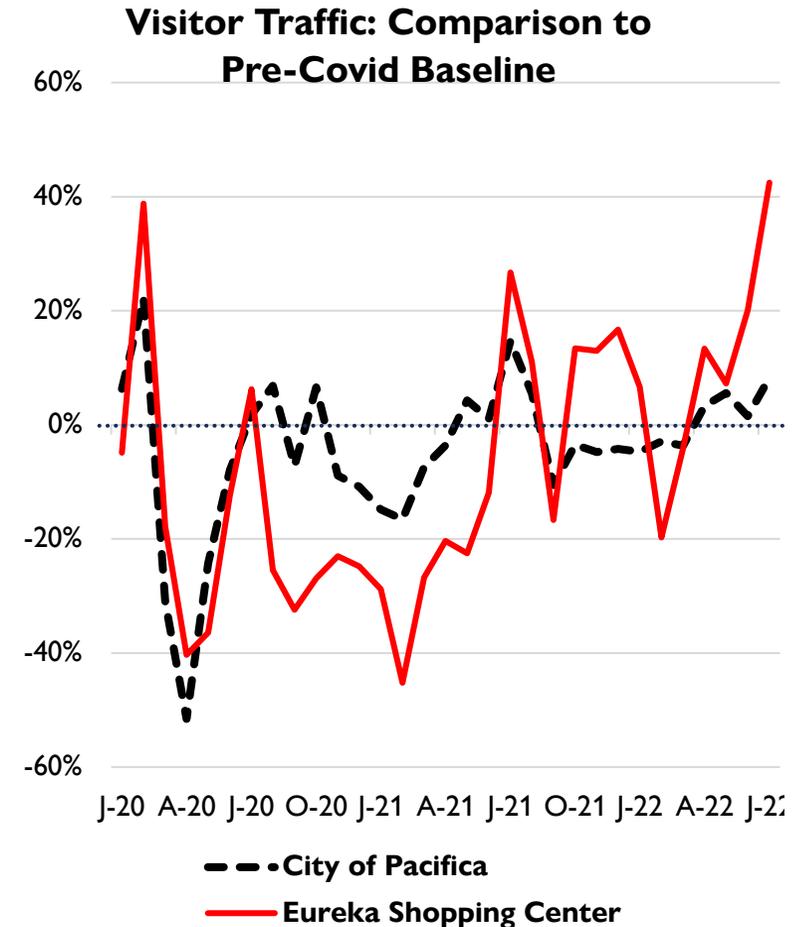
Eureka Square Shopping Center

Oceana Market, Shops & Restaurants

EUREKA SQUARE SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

- Eureka Square Shopping Center experienced ~9,300 weekly visitors over the past year – approx. 7% above the pre-Covid baseline, and generally overperforming Pacifica’s overall post-Covid visit recovery.
- Most common visitor home locations are Pacifica, San Francisco, Daly City; 45% of visitors live within 3 miles of the center.
- Visits to the center peak between 3 - 4 pm, with ~80% of visits between 11am - 8pm.
- Visits are generally stable across the week, with slightly higher levels on Saturday.

Current Visitor Data	
Annual Visits	485,700
Median Weekly Visits	9,300
Visit Frequency	4.0 visits / year
Median Visit Length	35 min.
Avg. HH Income	\$129k
<i>*Visits between 8/21 – 7/22</i>	

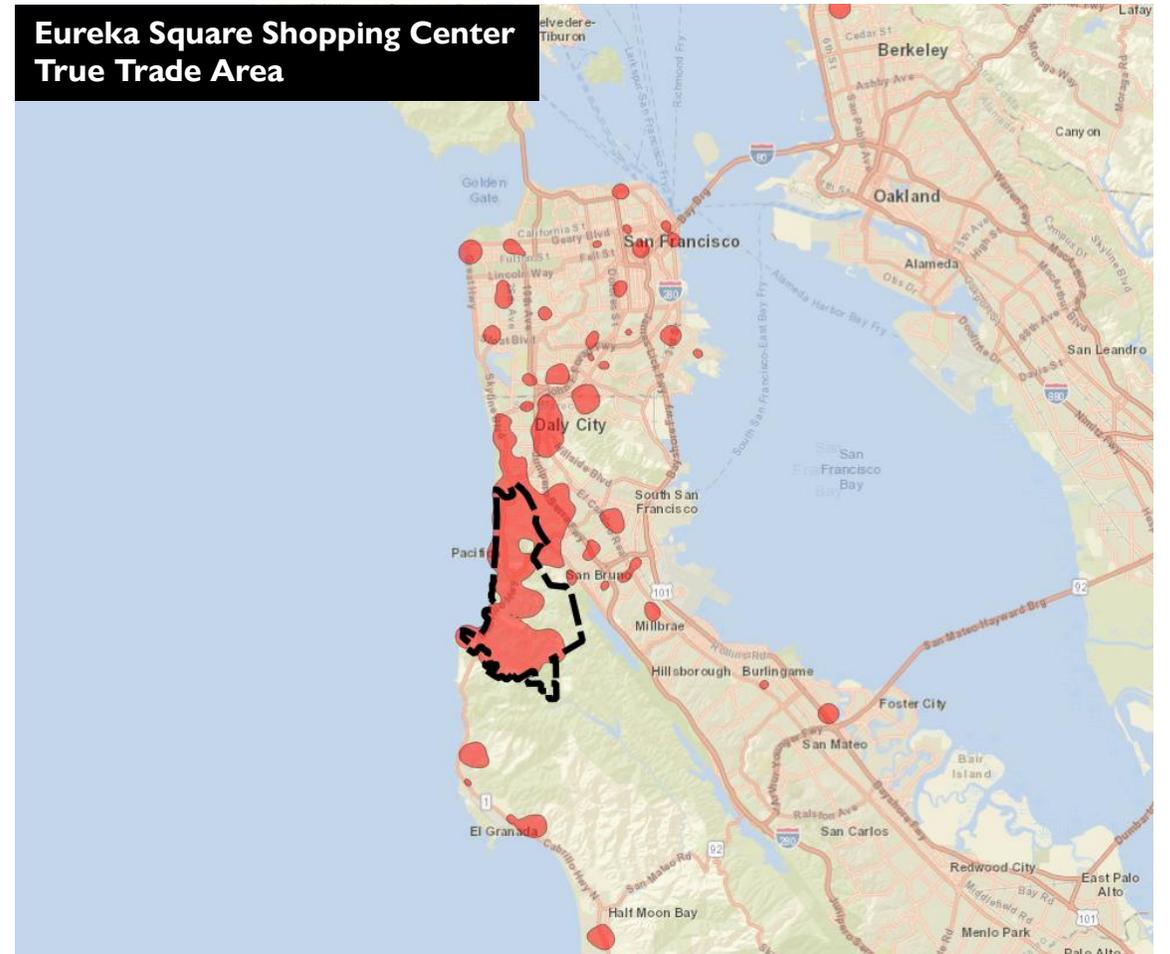


EUREKA SQUARE SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	220,000	42%
Daly City	50,000	10%
San Francisco	70,000	13%
South San Francisco	20,000	5%
San Bruno	20,000	4%
San Mateo	10,000	2%
San Jose	10,000	1%
Half Moon Bay Area	30,000	6%
1 - 3 Miles	220,000	42%
3 – 10 Miles	170,000	33%
10+ Miles	130,000	25%

Eureka Square Shopping Center True Trade Area



SHARP PARK / EUREKA SQUARE FINDINGS

- Sharp Park area is home to City Hall, Pacifica Pier, Main library and is adjacent to the County-owned historic Sharp Park Golf Course
- Sharp Park is suited as future “downtown” for the City using new Specific Plan guidelines
- The City-owned Beach Blvd. site is a strong development opportunity site for expansion of tourism facilities and to activate Palmetto Avenue
- Eureka Square, located on east side of Coast Highway, has recently undergone major renovation

SHARP PARK / EUREKA SQUARE RECOMMENDATIONS

There are several sites suitable for development within the Palmetto Ave. corridor to create a downtown district:

- Beach Blvd 3.5 acre former wastewater treatment site well suited for hotel/commercial and residential development
- Five Palmetto Ave. parcels – from 0.11 to 0.36 acres each suited for residential/commercial development

Timing

Based on current economic conditions, development will likely be several years away

Meeting with property owners and starting Surplus Land Act process is near term priority

Next Steps:

- Educate property owners on the benefits of the recently adopted Specific Plan
- City work with City & County of San Francisco to expand activities/promotion of historic Sharp Park Golf Course
- Publicly-owned land needs go through the State HCD's Surplus Land Act before private development can occur (i.e., Beach Blvd. site)

ECONOMIC OPPORTUNITIES STUDY

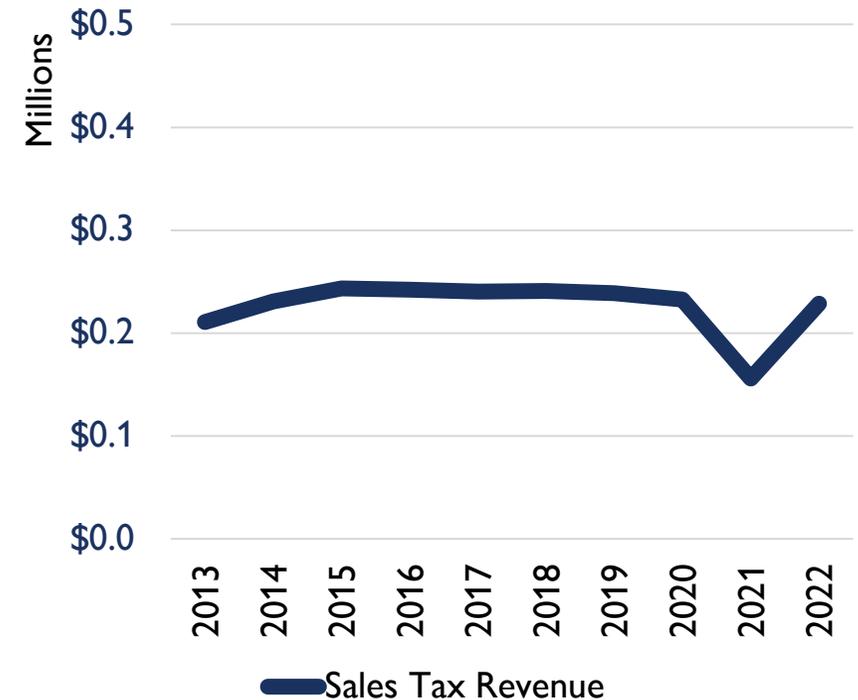


ROCKAWAY BEACH / VALLEMAR

ROCKAWAY BEACH / VALLEMAR OVERVIEW

- Rockaway Beach / Vallemar district is home to multiple hotels and a variety of small restaurants / shops / local offices near Rockaway Beach Ave and Cabrillo Hwy with multiple property owners.
- Residential neighborhoods are primarily single-family, with some small multifamily properties.
- District is home to ~1,300 households and 3,400 people. Area is relatively older and has higher household incomes compared to the City averages, and has the highest percentage of owner-occupied housing units.
- 10-year retail sales tax data from HdL shows this district generated ~\$230k in sales tax in 2022, with little growth over the past 10 years (0.9% CAGR).
- The district is home to 236 hotel rooms, ~75% of the City's hotel inventory; Citywide TOT generates ~\$2.1m for General Fund

Rockaway Beach/Vallemar: Sales Tax History



AERIAL PHOTOGRAPH

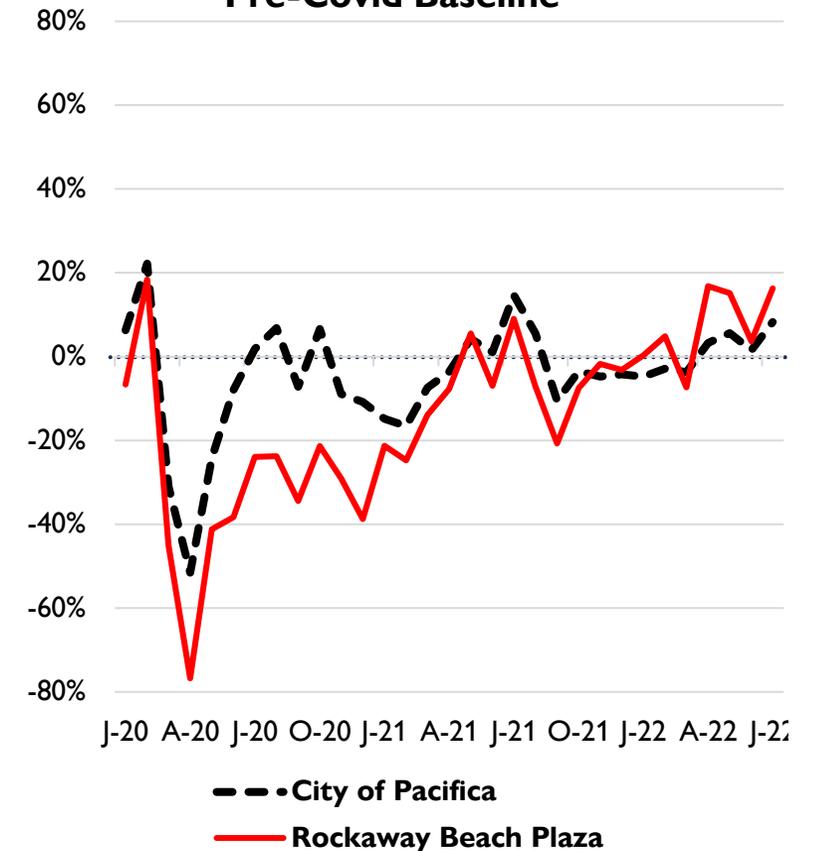


ROCKAWAY BEACH PLAZA VISITOR ANALYTICS – PLACER.AI

- Rockaway Beach Plaza had ~14,200 weekly visitors over the past year – 3% above the pre-Covid baseline, slightly over Pacifica’s overall post-Covid visit recovery.
- Most common visitor home locations are San Francisco, Pacifica and Daly City; 22% of visitors living with 3 miles of the center.
- Visits peak between 6 - 8 pm, and are generally spread throughout the day.
- Visits are highest Saturday/Sunday, with ~43% of weekly visits occurring those days.

Current Visitor Data	
Annual Visits	740,200
Median Weekly Visits	14,200
Visit Frequency	2.3 visits / year
Median Visit Length	68 min.
Avg. HH Income	\$124k
<i>*Visits between 8/21 – 7/22</i>	

Visitor Traffic: Comparison to Pre-Covid Baseline

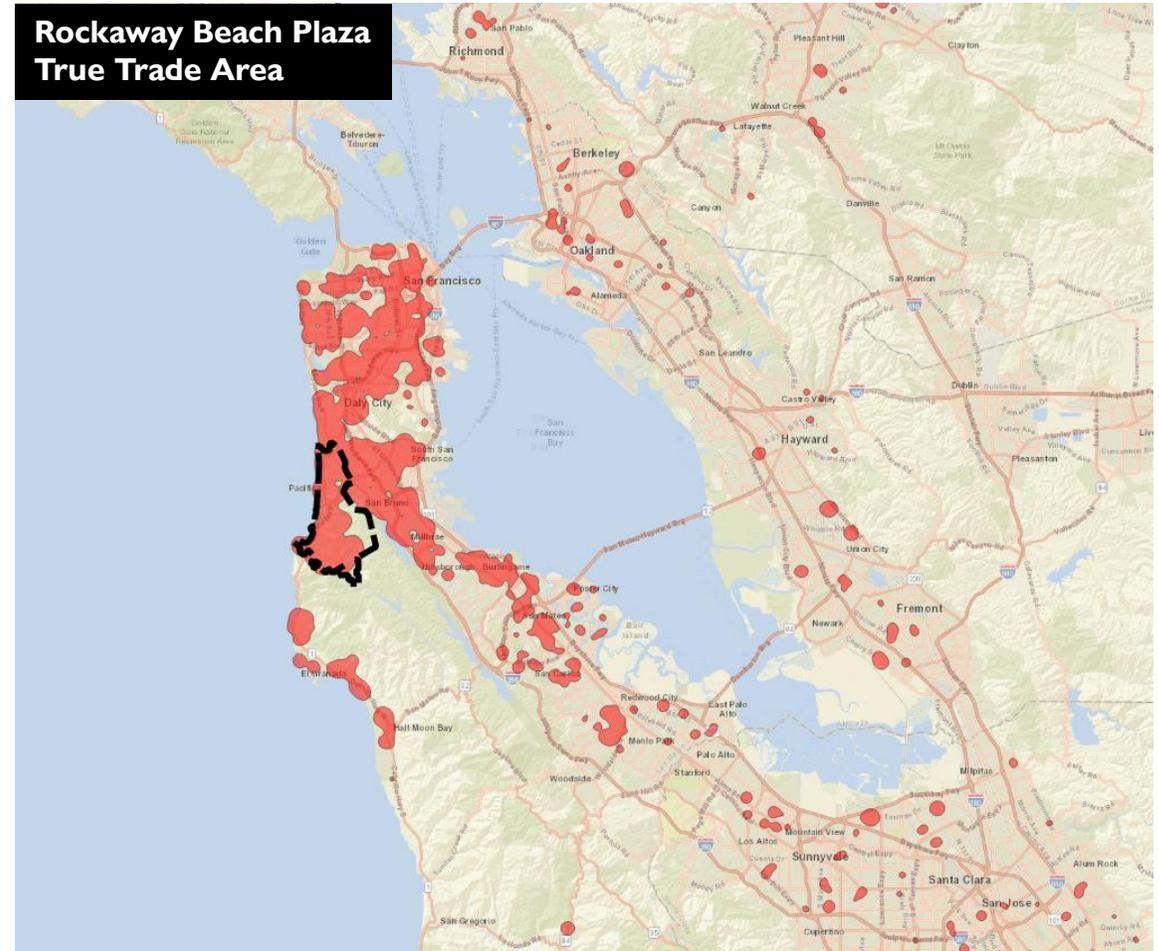


ROCKAWAY BEACH PLAZA VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	160,000	23%
Daly City	40,000	5%
San Francisco	70,000	10%
South San Francisco	30,000	4%
San Bruno	20,000	3%
San Mateo	20,000	2%
San Jose	20,000	3%
Half Moon Bay Area	20,000	3%
1 - 3 Miles	160,000	22%
3 – 10 Miles	170,000	24%
10+ Miles	380,000	54%

Rockaway Beach Plaza
True Trade Area



ROCKAWAY BEACH / VALLEMAR FINDINGS

- Rockaway Beach is the main tourism center for the City
- District has largest concentration of hotel rooms and restaurants
- With multiple property ownership redevelopment is challenging
- There are limited parking facilities for such a large concentration of commercial
- Wednesday Farmer's Market utilizes much of the parking areas
- Quarry site is a strong development opportunity site for expansion of tourism facilities

ROCKAWAY BEACH / VALLEMAR RECOMMENDATIONS

There are two opportunity sites Kosmont identified:

- The flat southeastern 20-acre portion of Quarry site is well suited for residential and for high end hospitality development to expand amenities for Rockaway as a major tourist location
- Approximately 2-3 acres of the parking lot of the Sea Bowl site may be considered for medium to high density blended-use housing/commercial while retaining bowling and restaurant uses

Timing

Based on current economic conditions, new development will be several years away

Meeting with property owners could be near term priority

Next Steps:

- City could work with ownership to upgrade Lighthouse Hotel facility
- Initiate Specific plan process with ownership / encourage low density visitor serving uses
- Meet with Sea Bowl ownership to discuss long term plans

ECONOMIC OPPORTUNITIES STUDY

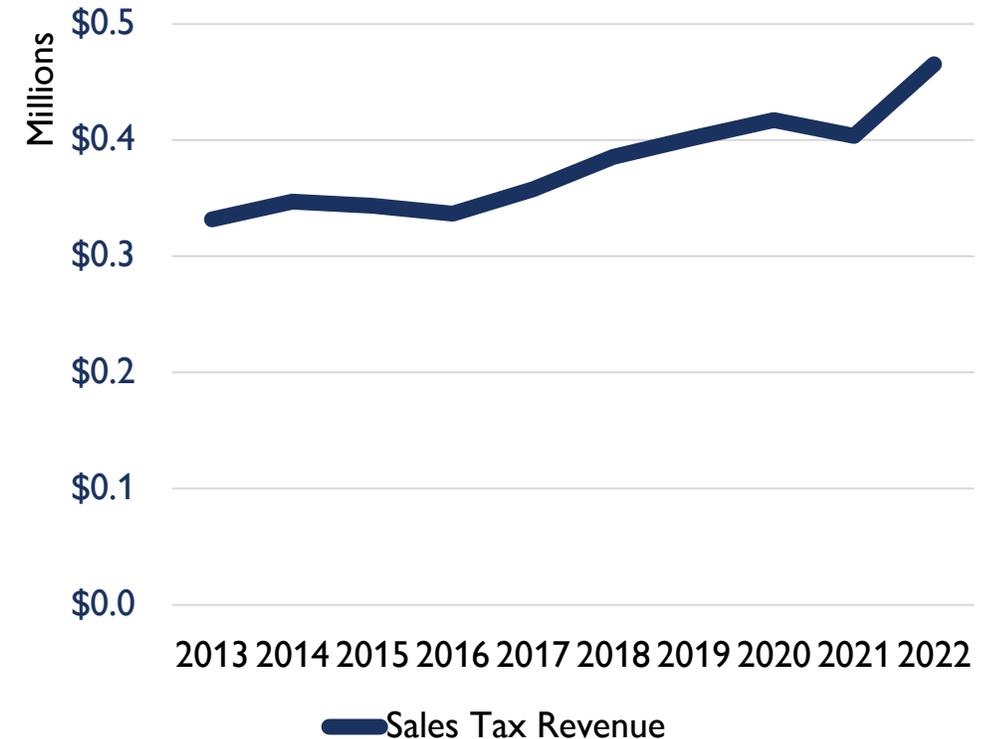


LINDA MAR / SUN VALLEY

LINDA MAR / SUN VALLEY OVERVIEW

- Linda Mar / Sun Valley has three primary shopping areas:
 - Linda Mar Shopping Center, an 89k+ SF community center anchored by Safeway near Linda Mar Blvd and Cabrillo Hwy
 - Park Mall Center, a 48k+ SF neighborhood center
 - Pacifica Athletic Center, a 22k+ SF neighborhood center
- Residential is primarily single-family, with some clusters of small multifamily units.
- District is home to ~5,570 households (the largest of the five districts). Area is older than City median, with lower household incomes than Citywide average.
- 10-year retail sales tax data from HdL shows this district generated ~\$465k in sales tax in 2022 (the second-highest district), with annual growth of ~3.8% since 2013.

Linda Mar/Sun Valley: Sales Tax History



LINDA MAR CENTER & SAMTRANS PARK AND RIDE AERIAL PHOTOGRAPH



PARK MALL CENTER AERIAL PHOTOGRAPH



COMMUNITY CENTER AERIAL PHOTOGRAPH

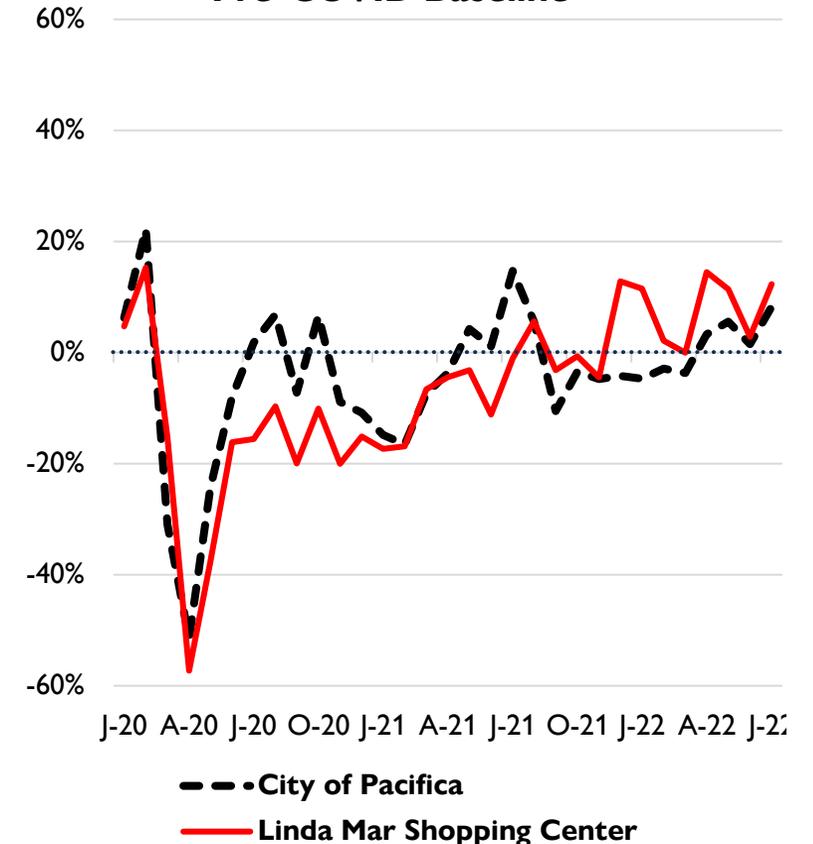


LINDA MAR SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

- Linda Mar Shopping Center had ~40,500 weekly visitors over the past year – 5% above the pre-Covid baseline, slightly over Pacifica’s post-Covid visit recovery.
- Most common visitor home locations are San Francisco, Pacifica, and Daly City; 44% of visitors living within 3 miles of the center.
- Visits to the center peak between 3 - 5 pm, with ~80% of trips between 11am – 8pm.
- Visits are stable across the week, with slightly higher levels Saturday – Sunday.

Current Visitor Data	
Annual Visits	2.1 mil
Median Weekly Visits	40,500
Visit Frequency	6.5 visits / year
Median Visit Length	31 min.
Avg. HH Income	\$130k
*Visits between 8/21 – 7/22	

Visitor Traffic: Comparison to Pre-COVID Baseline

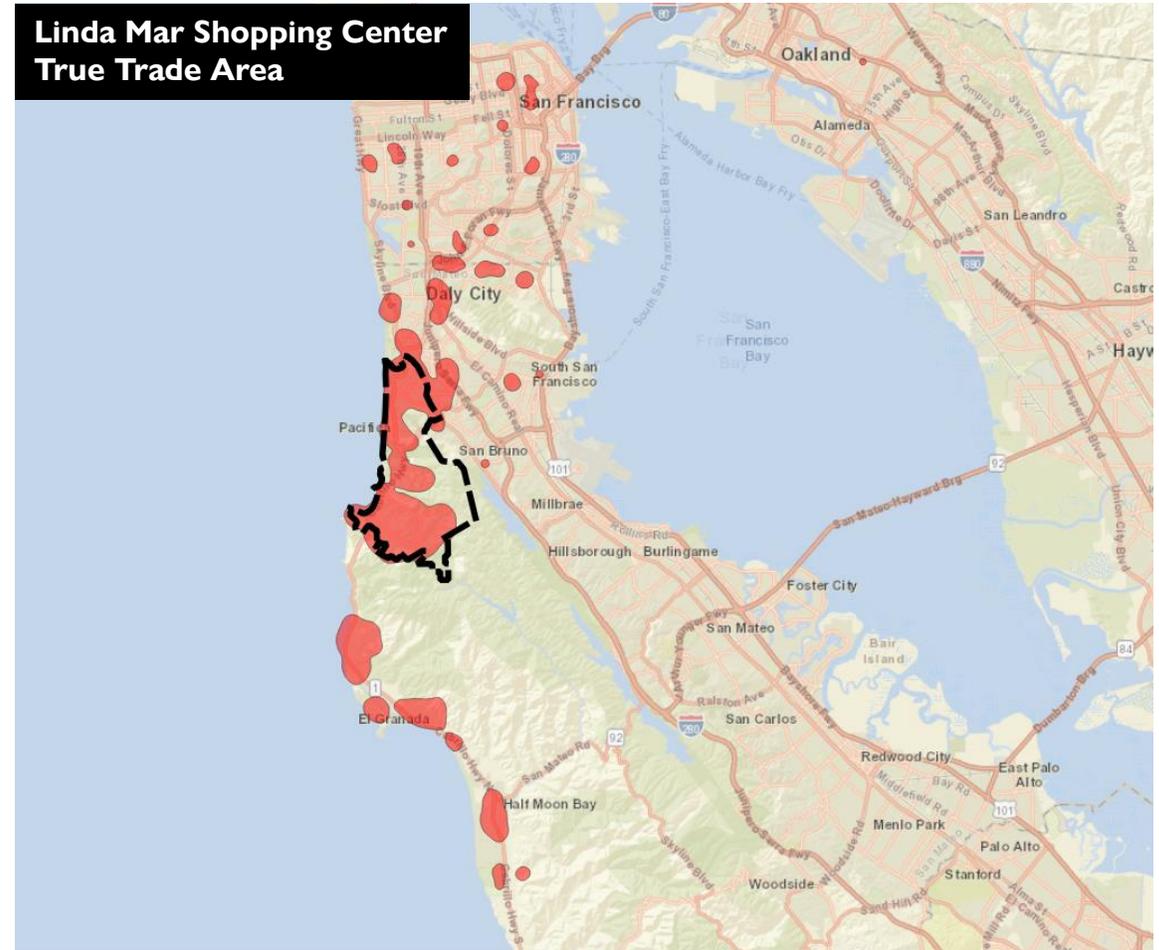


LINDA MAR SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	1,090,000	48%
Half Moon Bay Area	350,000	16%
San Francisco	190,000	8%
Daly City	110,000	5%
South San Francisco	50,000	2%
San Bruno	30,000	1%
San Jose	30,000	1%
San Mateo	20,000	1%
1 - 3 Miles	990,000	44%
3 – 10 Miles	670,000	30%
10+ Miles	600,000	27%

Linda Mar Shopping Center True Trade Area



LINDA MAR / SUN VALLEY FINDINGS

- Linda Mar Center is the gateway to City from the South
- Linda Mar Center has professional management, institutional ownership which is beneficial to new development
- The District has City's largest concentration of retail and residential
- Linda Mar Center unused parking area in SE corner of center is potential residential or mixed-use development site (*See Section 4 for detailed discussion of opportunity sites*)
- Park Mall has small commercial land parcel plus vacant land behind library
- SamTrans Park and Ride lot is proximate to beach and could be developed for higher use
- The Pacifica Community Center is oceanfront site - valuable opportunity for public/private partnership for commercial use and upgraded community facilities – Surplus Lands Act requirements will likely apply

LINDA MAR / SUN VALLEY RECOMMENDATIONS

There are four opportunity sites Kosmont identified:

- The SamTrans Park & Ride lot is high value location suited for commercial development
- The surplus parking area behind Safeway is recommended to be considered for high density blended use residential / commercial or replacement site for Park & Ride lot across from Linda Mar Center
- The Community Center and parking lot are high value properties that City could leverage
- Park Mall / Sanchez Library parcels are lower priority sites

Timing

Based on current economic conditions, new development will be several years away

Analysis of Community Center site and meeting with property owners could be near term priority

Next Steps:

- Discussions with SamTrans to consider Public/Private Partnership (“P3”) development on the Park & Ride lot
- Analyze obstacles and redevelopment opportunities for Community Center site across from Linda Mar Beach. How large building needed for community services? Other locations that can accommodate some of them?
- Discuss blended-use development options for surplus parking area behind Safeway with Kimco

ECONOMIC OPPORTUNITIES STUDY



PEDRO POINT

PEDRO POINT OVERVIEW

- Pedro Point district is the smallest district in the City, characterized by the Pedro Point Shopping Center, a 32k+ SF center anchored by Grocery Outlet with fitness, popular retailers and restaurants.
- Residential neighborhood is hillside single-family.
- District is home to ~350 households and 900 people. Area has the oldest median age of the five districts, highest level of bachelor degrees, and highest household income levels.
- 10-year retail sales tax data from HdL shows this district generated ~\$135k in sales tax in 2022 (the lowest district), with annual growth of ~10.4% since 2013 (the highest district).

Pedro Point: Sales Tax History



AERIAL PHOTOGRAPH

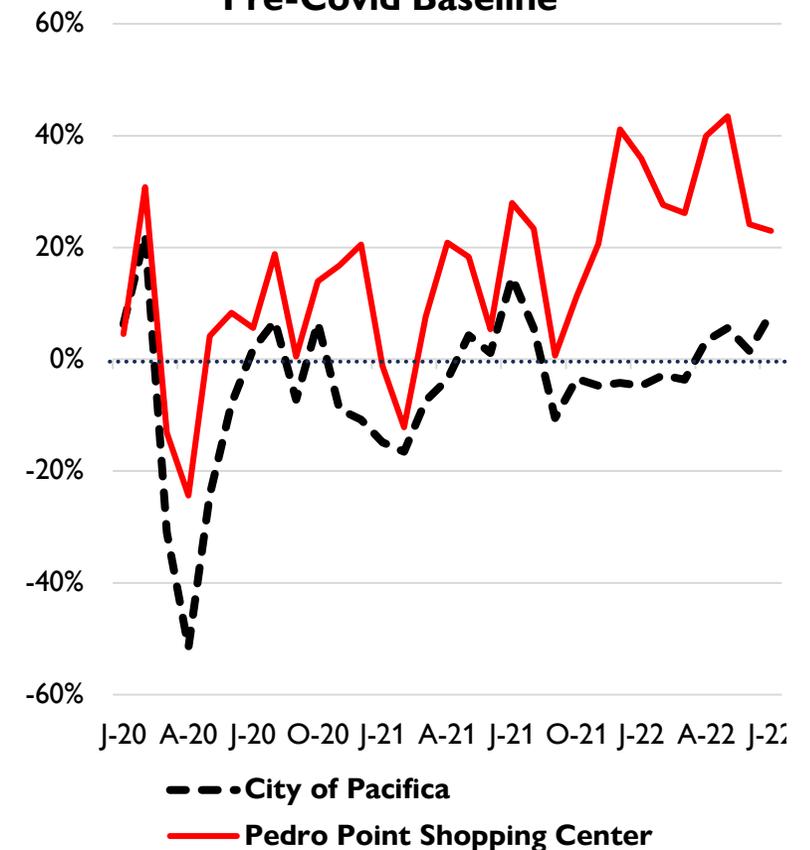


PEDRO POINT SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

- Pedro Point Shopping Center had ~16,400 weekly visitors over the past year – approx. 25% above the pre-Covid baseline, and over Pacifica’s post-Covid recovery.
- Many visitor home locations in San Francisco and Daly City
- Visits to the center peak between 1 - 2 pm
- Visits are generally stable thru the week, slightly higher on Saturday – Sunday.

Current Visitor Data	
Annual Visits	871,000
Median Weekly Visits	16,400
Visit Frequency	3.8 visits / year
Median Visit Length	44 min.
Avg. HH Income	\$141k
<i>*Visits between 8/21 – 7/22</i>	

Visitor Traffic: Comparison to Pre-Covid Baseline

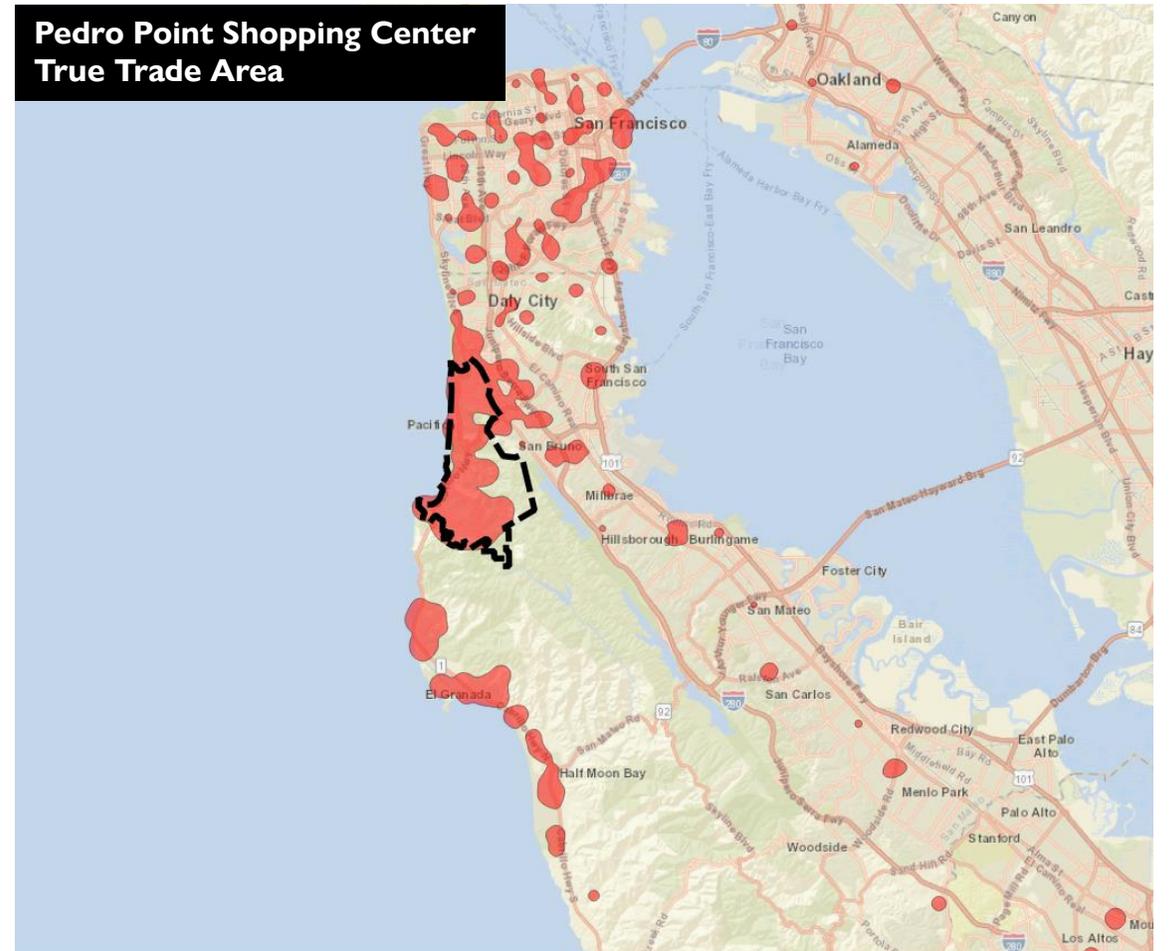


PEDRO POINT SHOPPING CENTER VISITOR ANALYTICS – PLACER.AI

Shopping Center Annual Visits by Visitor Home Location

City	Number	Percentage
Pacifica	350,000	40%
San Francisco	110,000	13%
Half Moon Bay Area	100,000	11%
Daly City	30,000	3%
South San Francisco	20,000	2%
San Mateo	10,000	1%
San Jose	10,000	1%
San Mateo	10,000	1%
1 - 3 Miles	290,000	33%
3 – 10 Miles	250,000	28%
10+ Miles	330,000	38%

Pedro Point Shopping Center True Trade Area



PEDRO POINT FINDINGS

- Poor access with entrance located off Coast Highway
- Vibrant retail center with new fitness facility and Grocery Outlet rehab
- Vacant 5-acre parcel behind shopping center possible residential development site, but subject to complicated permitting processes with Coastal Commission and City jurisdictions
- Meet with Pedro Point Businesses and Community to explore commercial recreational opportunities



4. OPPORTUNITY SITES

Pacifica Economic Opportunity Study

POTENTIAL OPPORTUNITY SITES

Based on Kosmont's research, district analysis and input gathered during the stakeholder / community outreach process, Kosmont identified several opportunity sites for potential commercial or blended use development. For City owned sites, long term ground leases are strategic options that can provide additional annual revenue.

1. Beach Blvd site
2. Palmetto Ave sites
3. Quarry site
4. Sea Bowl parking field site
5. Linda Mar Center parking field / site
6. Park Mall and library surplus land site
7. SamTrans Park and Ride site
8. Community Center site

See detailed site information on following pages



SURPLUS LAND ACT CONSIDERATIONS (FOR PUBLIC AGENCY OWNED PROPERTIES)

- Some of the potential opportunity sites such as the Beach Blvd Hotel site, the SamTrans Park and Ride site, and the Community Center site must comply with State mandates prior to selling / leasing.
- The Surplus Land Act (SLA) was passed in response to the housing shortage in California. Public agency owned property cannot be sold or leased until it complies with the SLA, with certain exceptions.
- SLA requires an up to 150-day (NOA for 60 days + good faith negotiations for 90 days) RFP process to either select or reject an affordable housing project/proposal. City does not have to sell the property for less than fair market value. If rejected, property can be sold to broader market.
- After completing the process, any development will be subject to a covenant requiring any residential development with 10 or more units to provide at least 15% of units available to low-income households.
- If local agency does not comply with SLA, HCD will impose fine of 30% of final sale price for first violation, 50% of final sale price for second violation.
- City should engage real estate and legal counsel to navigate SLA process and conduct appropriate property due diligence.

SLA Required Disposition Process

1. Declaration of the property as either “surplus” or “exempt surplus.”
2. If declared “surplus,” disseminate a Notice of Availability (NOA) offering the property to other government agencies and affordable housing developers for a period of 60 days.
3. If the City receives letters of interest from government agencies and/or affordable housing developers, then it must negotiate in good faith with those interested parties for a period of 90 days.
4. After the 90-day good faith negotiation period, the City must notify the State Department of Housing and Community Development (HCD) and provide information that documents compliance with the process and request a letter of compliance.
5. HCD has 30 days to respond to City with questions/request for more information and, at the conclusion of the 30-day period, must provide a letter stating that the City has complied with the process or not.

BEACH BLVD HOTEL OPPORTUNITY SITE

Address	2212 Beach Blvd
APN(s)	016-204-020 016-294-620
Current AV	-
Acreage	3.5 AC
Ownership	City of Pacifica
Surrounding Use(s)	Low-density multifamily, commercial
Opportunity	Key oceanfront site can be anchor for new “downtown” district. Hotel and retail would be ideal on long term ground lease.



RECOMMENDATIONS / ECONOMIC BENEFITS

As an oceanfront community approximately 10 miles south of San Francisco, there is strong demand for high value hotels with proper marketing and attraction to leisure travelers. However, Pacifica has limited upscale hospitality facilities, especially compared to Half Moon Bay.

The City has envisioned this site as a future hotel/commercial/mixed/blended use site. An RFP was issued in late 2019 but was withdrawn after the COVID pandemic hit.

Background

The City owns a 3.5 acre former wastewater treatment ocean front site on Beach Blvd. in the heart of the Sharp Park district near the Pacifica Pier. According to the Sharp Park Specific Plan the height limit is 55 feet, which makes it well suited for hotel or residential use over ground floor commercial.

Next Steps

1. Determine if hotel and complimentary uses are still desired by City.
2. Given recently adopted Surplus Land Act (“SLA”) requirements, before private development can occur, City may consider alternative public uses (possible relocation of Community Center).
3. If private development is desired, then SLA process must be initiated to promote the site to potential affordable housing developers throughout the State per Housing & Community Development.
4. If affordable housing developers are not interested or unable to reach agreement with City, then reissue RFQ/P for private development.
5. Can consider leasing the site to provide long term revenue source.
6. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

A moderate sized select service hotel development on half of the site could yield approximately +\$500,000 in annual tax revenues to City, while a residential development of 50-60 units on remaining half could add approximately +\$30 million in assessed value and bring \$1 million in new resident spending. This could yield +\$150,000 in annual tax revenue to City.

ECONOMIC OPPORTUNITIES STUDY

PALMETTO AVE SITES

	1	2	3	4	5
Address		2022 Palmetto Ave	2100 Palmetto Ave	2107 Palmetto Ave	2205 Palmetto Ave
APN(s)	016-032-310	016-181-410	016-182-370 016-182-390	016-192-320	016-211-210
AV (2021)	\$75,033	\$557,124	\$420,469	\$404,302	\$509,626
Acreage	0.36	0.18	0.13	0.31	0.11
Ownership	Thomas E Bishop	Ahmad Alshamari	Dymond Coast LLC	Ahmad Alshamari	Kevin Hale
Surrounding Use(s)	Main Street commercial / retail, low-density multifamily residential				
Opportunity	Sharp Park Specific Plan guidelines for blend of commercial and residential uses would liven foot traffic and benefit Palmetto Ave. businesses.				



RECOMMENDATIONS / ECONOMIC BENEFITS

The recently adopted Sharp Park Specific Plan is designed to provide a downtown district for Pacifica and complete neighborhood for future residents.

There are several vacant Palmetto Ave. parcels from 0.11 to 0.36 acres each totaling approximately 1 acre that are privately owned and can be developed with moderate density mixed / blended-use according to Specific Plan.

Palmetto Ave. is the backbone of the neighborhood with mix of uses to attract visitors and allow them to linger. Strong housing demand makes this is an excellent opportunity.

Background

Palmetto Ave. is the main street in the Sharp Park neighborhood. Historically this has been a heavily residential area. In addition to the new Specific Plan, the City has recently completed ½ mile of bicycle and pedestrian improvements to increase mobility.

Next Steps

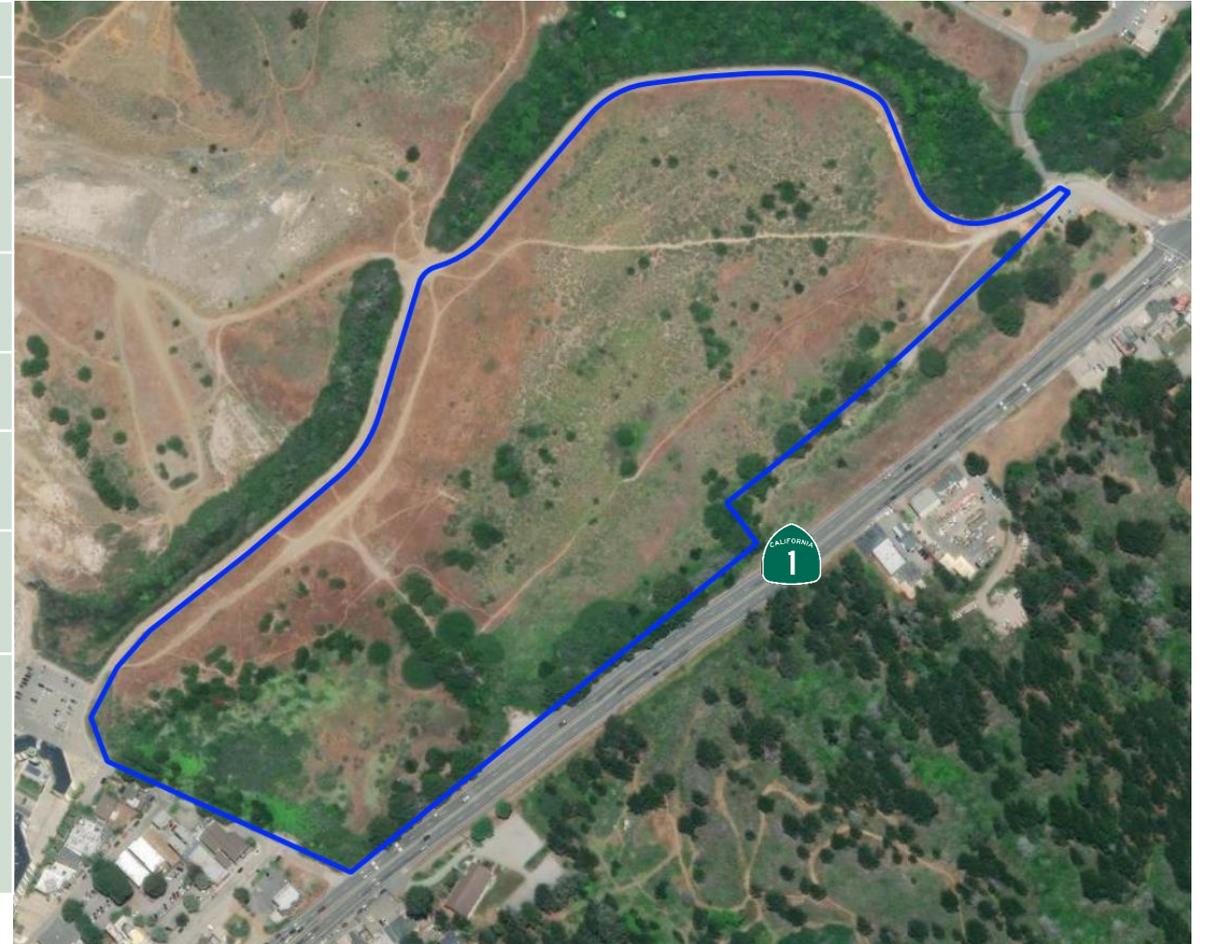
1. Discuss the benefits of the recently adopted Specific Plan with property owners
2. Consider developing public parking lots to accommodate more visitors
3. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

Blended use development of 30-40 units is possible on these parcels and could add approximately +\$30 million in assessed value and bring \$1 million in new resident spending yielding up to \$100,000 in City tax revenues; in addition, new residents would bring important daytime activity to the street.

QUARRY OPPORTUNITY SITE

Address	
APN(s)	018-150-110 018-150-120 018-150-150
Current AV	\$5,379,000
Acreage	39.1 AC (as outlined)
Ownership	Preserve @ Pacifica LLC
Surrounding Use(s)	Open space, hotel, commercial, residential
Opportunity	Key site to expand Rockaway visitor facilities. Could be a boutique hotel and event center on southern portion of site together with residential.



RECOMMENDATIONS / ECONOMIC BENEFITS

The most significant opportunity site for the City is located in Rockaway / Vallemar area. Rockaway is the City's hospitality center, but it lacks many amenities including high quality facilities and parking.

Southern portion of the flat or Eastern parcel (approximately 20 acres) of the Quarry site is well suited for residential and for high end hospitality development to expand amenities for Rockaway as a major tourist location (see case study of unique hospitality concepts in Section 2 – Land Use Trends). The hillside areas comprising half of the site would be preserved for open space.

Background

A former rock quarry, the 39-acre flat portion of site is strategically located between the Rockaway hotels, Pacific Ocean and Coast Highway. Development proposals have had extensive history of community opposition, especially housing development. 1983 Ordinance 391-c.s. was approved and rezoned the site to C-3 commercial, with a provision that requires a citywide public vote to approve new housing.

Next Steps

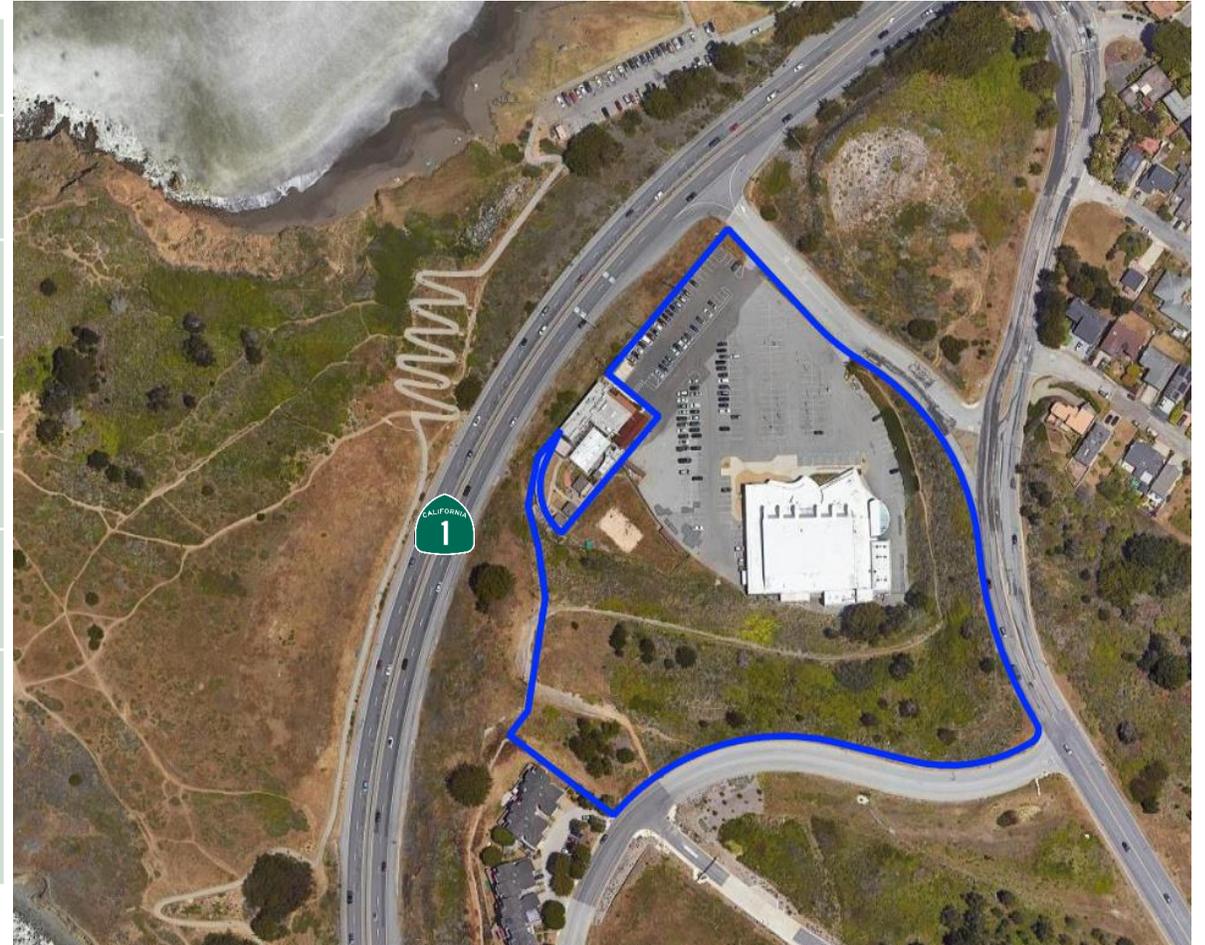
1. Initiate Specific Plan process with ownership and encourage low density high-value visitor serving uses in conjunction with housing development.
2. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

Luxury hospitality development of 75-100 “bungalows” on Quarry site could add approximately \$50 million in AV and yield \$500,000 to \$1 million in TOT and sales tax, plus over \$50,000 in property taxes to the General Fund. Residential development could add another \$50 million in AV and \$2 million in increased retail sales potential to local businesses.

SEA BOWL PARKING LOT OPPORTUNITY SITE

Address	4625 Coast Hwy
APN(s)	022-150-440
Current AV	\$1,351,000
Acreage	8.81 AC
Ownership	Sea Bowl Pacifica Inc
Surrounding Use(s)	Pacifica Brewery, open space, commercial, residential
Opportunity	With highway visibility additional retail and multi-family housing can be accommodated on underutilized portion of site



RECOMMENDATIONS / ECONOMIC BENEFITS

Two popular entertainment venues in the City, the 32-lane Sea Bowl and lounge and the 3,700 SF Pacifica Brewing Company are located on an 8.8-acre site.

Background

The existing buildings occupy approximately 40,000 square feet for a floor area ratio (“FAR”) of 0.1. With such low density, 1/3rd of the parking lot could be reconfigured for medium to high density blended use providing up to 100 multifamily units and 5,000 SF of additional commercial, or alternatively add 15,000 to 20,000 SF of additional restaurant / entertainment.

Next Steps

1. City and property owners could examine potential rezoning of the site.
2. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

A blended use development of 80-100 units would add approximately +\$50 million in assessed value and bring \$2 million in retail sales from new resident spending. This could yield +\$200,000 in annual tax revenue to City, in addition to retaining these important retail / entertainment venues.

LINDA MAR UNDERUTILIZED PARKING OPPORTUNITY SITE

Address	1380 Linda Mar Blvd
APN(s)	023-041-190 023-041-200 023-041-270 (partial)
Current AV	NA
Acreage	1.9 AC
Ownership	Linda Mar SC LP
Surrounding Use(s)	Retail / commercial, residential
Opportunity	If overflow parking is not required for shopping center, could accommodate ~60 units of housing plus 5,000 - 10,000 SF retail



RECOMMENDATIONS / ECONOMIC BENEFITS

A priority opportunity site within Linda Mar / Sun Valley is the surplus ~2-acre parking area behind the Linda Mar Center Safeway.

Kosmont recommends it be considered for high density blended use residential / commercial uses.

Background

This site provides overflow parking for the shopping center, per City code. It was identified in the most recent Housing Element as a site for new residential development.

Next Steps

1. Discuss blended-use development options for surplus parking area behind Safeway with owner of shopping center (Kimco).
2. City / Kimco to analyze potential for parking variance at Linda Mar Center.
3. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

A blended use development of 60-80 units would add approximately +\$40 million in assessed value and bring \$1-2 million in new resident spending. This could yield +\$150,000 in annual tax revenue to City.

PARK MALL OPPORTUNITY SITES

	1	2	3
Address	1055 Terra Nova Blvd	725 Oddstad Blvd	Sanchez Library / Park
APN(s)	023-593-070	023-593-160	023-593-140
AV (2021)	\$459,334	\$796,566	-
Acreage	0.41 AC	2.14 AC	2.77 AC
Ownership	Charles Douglas O'Connor	Cabot Layne Sheley	City of Pacifica
Surrounding Use(s)	Retail, low-density residential		
Opportunity	Parcel 1 potential retail pad bldg. Parcel 2 potential commercial / mixed use development; Parcel 3 potential residential/blended use on undeveloped library park land.		



RECOMMENDATIONS / ECONOMIC BENEFITS

Park Mall is a 48,000 square foot community center in the eastern section of Linda Mar. It is anchored by Sun Valley Fine Foods.

Kosmont recommends that area be considered for medium density blended use residential / commercial uses.

Background

There are some vacant parcels surrounding the center, including the Sanchez Park behind the library that are owned by the City. The Sanchez Library facility is to be retained as part of City's library master plan.

Next Steps

1. Analyze need for City owned surplus land.
2. Meet with private property owners at Park Mall to discuss development opportunities (both retail and multi-family).
3. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

Blended use development of 50-60 units could add approximately +\$30 million in assessed value and bring \$1 million in new resident spending. This could yield +\$100,000 in annual tax revenue to City.

SAMTRANS PARK & RIDE OPPORTUNITY SITE

Address	Cabrillo Hwy & Linda Mar Blvd, behind gas station
APN(s)	-
Current AV	-
Acreage	~2 AC
Ownership	CalTrans (lease to Sam Trans)
Surrounding Use(s)	Gas station, residential, retail center
Opportunity	Retail pad is viable or possible Airstream Trailer Hotel that requires minimal investment. SamTrans will need to relocate Park and Ride



RECOMMENDATIONS / ECONOMIC BENEFITS

The SamTrans Park & Ride lot is an approximately 2-acre site in a high value location across from Linda Mar Center and Coast Highway.

Potential uses could be a “Steelcraft” container type food court, retail pads or “Airstream type” hospitality trailer park.

Background

This site is owned by CalTrans and leased to SamTrans, the regional transportation provider for Park & Ride lot for commuters to San Francisco area. The site does not appear to be heavily utilized. Given its excellent location, CalTrans may consider a public/private development opportunity.

Next Steps

1. Open discussions with CalTrans to consider doing commercial development under long term ground lease
2. Determine potential new parking sites for commuters (perhaps east side of Linda Mar Center)
3. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

Commercial development could bring approximately \$100,000 to \$250,000 per year in retail sales and/or TOT to the City General Fund.

COMMUNITY CENTER OPPORTUNITY SITE

Address	540 Crespi Drive
APN(s)	022-162-420
Building Size	18,955 SF
Acreage	5.0 AC
Ownership	City of Pac Fin Authority Lessee
Surrounding Use(s)	Oceanfront, Commercial, residential
Opportunity	Potential public/private partnership for commercial leases within the community center facilities



RECOMMENDATIONS / ECONOMIC BENEFITS

The Community Center and parking lot at 540 Crespi Drive are valuable ocean frontage properties estimated at 5 acres in size. Ideally suited for retail uses as well as community programs currently in operation.

Background

This facility is a former AT&T operator switching station, acquired by the City in 1986 and renovated as a community center in 1988. The public parking lot serves center, as well as Linda Mar Beach visitors. The facility is currently housing City Hall while the main facility is under construction in Sharp Park.

Next Steps

1. Assess how much of the building area is needed for community services
2. Can some limited commercial uses be accommodated in the building or parking lot
3. If redevelopment is considered, City must proceed through HCD's SLA process to promote site to affordable housing developers
4. Can consider leasing portions of the site
5. Review of Opportunity Site will include analysis of impact on City services & infrastructure

Economic Benefits

Limited commercial development could bring up to \$100,000 per year in retail sales and property taxes to the City General Fund.



5. APPENDIX – DEMOGRAPHIC, ECONOMIC AND MARKET DATA

Pacifica Economic Opportunity Study

ECONOMIC OPPORTUNITIES STUDY



A. DEMOGRAPHIC ANALYSIS

Pacifica Economic Opportunity Study

DEMOGRAPHIC SUMMARY

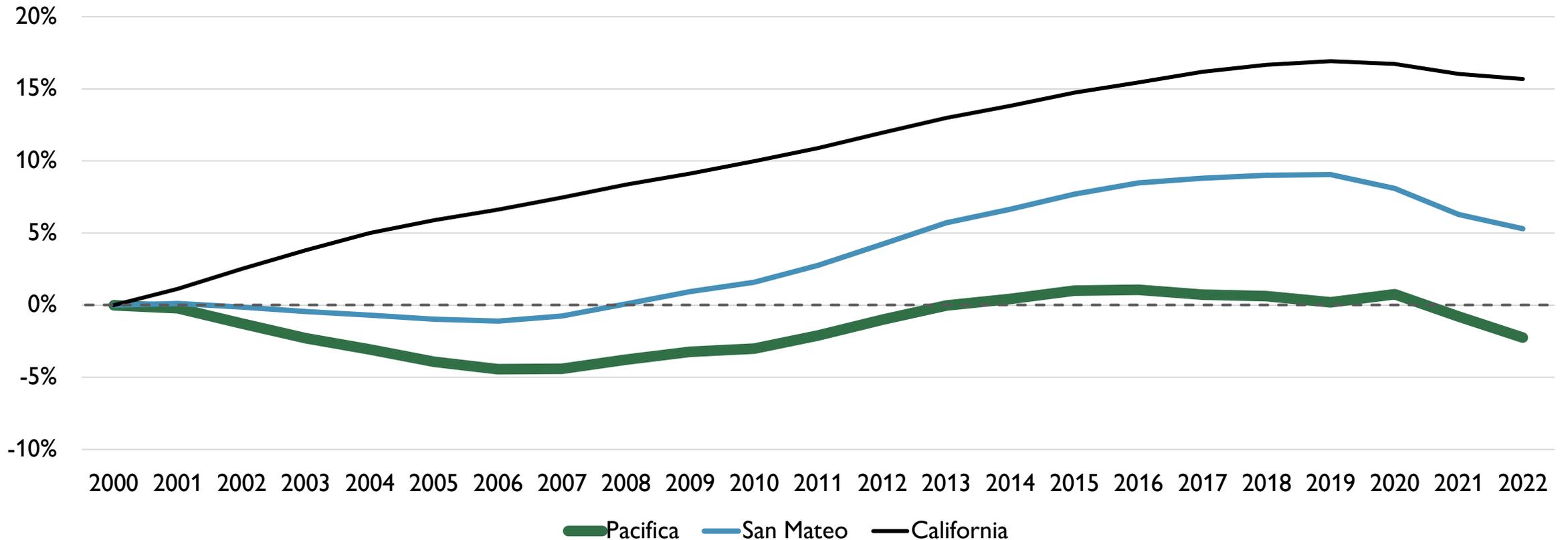
- Pacifica has a population of ~38,000, with essentially no population growth over the past 20 years
- **Average Household Size** is 2.7 persons, and the **Median Age** is 43.9 years; residents are **well educated**, with ~51% achieving at least a bachelors degree
- City **Average Household Income** is \$182,000, approx. ~3% less than San Mateo County and 41% higher than statewide levels
- Pacifica sees a Net **Outflow** of ~15,740 jobs, with workers going to surrounding job centers such as San Francisco, South San Francisco, San Mateo, and Daly City
- **Jobs in the City** are primarily in the Accommodation / Food Services, Educational Services, Healthcare / Social Assistance, and Retail Trade sectors
- **Residents of the City** are primarily employed in the Healthcare / Social Assistance, Professional / Scientific / Technical Services, Educational Services, and Accommodation / Food Services, sectors

POPULATION & INCOME CITY, COUNTY, AND STATE

2022	Pacifica City	San Mateo County	California State
<i>Population</i>	38,458	769,689	39,770,476
<i>Households</i>	14,064	270,845	13,570,050
<i>Average HH Size</i>	2.7	2.8	2.9
<i>Median Age</i>	43.9	41	36.7
<i>% Bachelor's Degree or Higher</i>	50.6%	55.5%	37.8%
<hr/>			
<i>Per Capita Income</i>	\$66,642	\$71,302	\$44,265
<i>Median HH Income</i>	\$146,648	\$150,965	\$88,930
<i>Average HH Income</i>	\$182,144	\$202,452	\$129,367
<i>Median Home Value</i>	\$1,076,093	\$1,387,819	\$629,224

POPULATION GROWTH, 2000 – 2022 PACIFICA, SAN MATEO COUNTY, CALIFORNIA

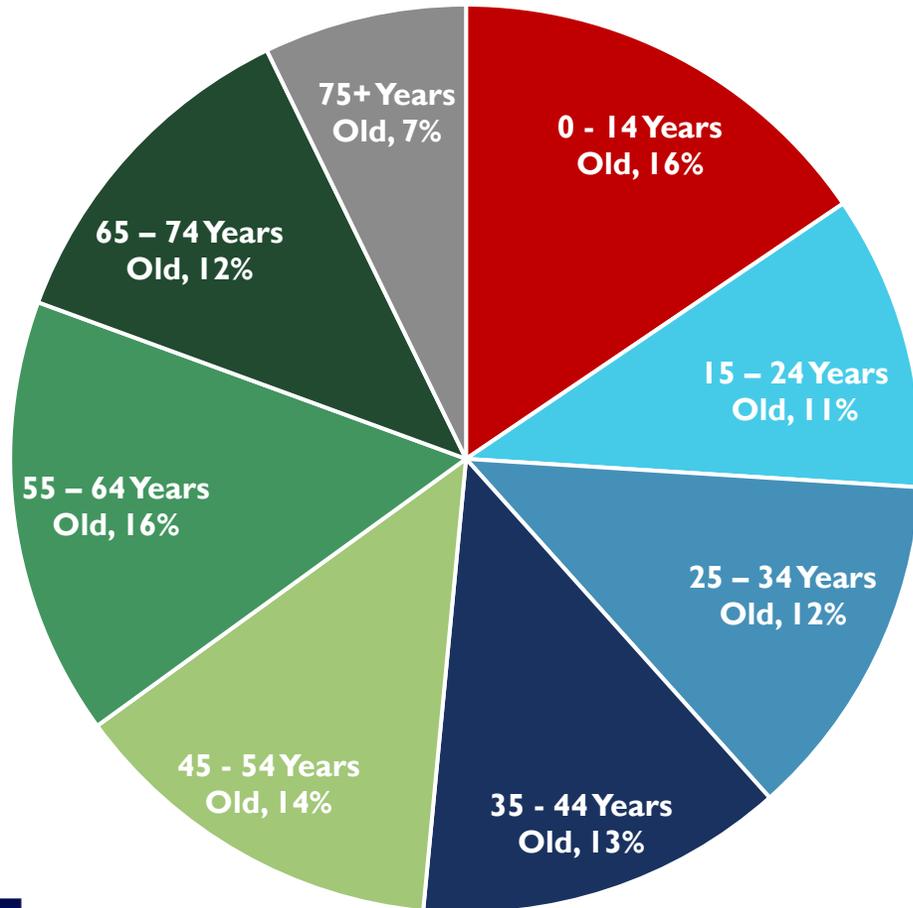
Population Growth, 2000 - 2021



ECONOMIC OPPORTUNITIES STUDY

POPULATION BY AGE

PACIFICA HAS A STRONG BABY BOOMER POPULATION



Generation	Population (2022)
0 - 14 Years Old	6,000
15 - 24 Years Old	4,000
25 - 34 Years Old	4,800
35 - 44 Years Old	5,000
45 - 54 Years Old	5,200
55 - 64 Years Old	6,000
65 - 74 Years Old	4,700
75+ Years Old	2,800

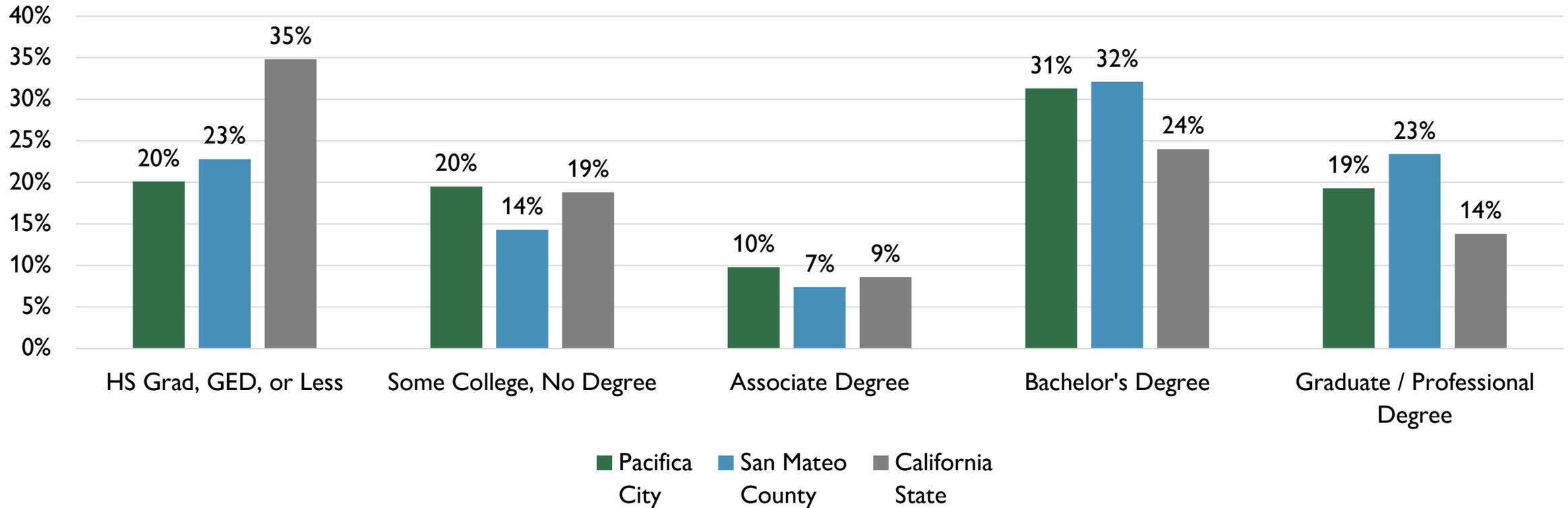
Source: ESRI Business Analyst Online, 2022

ECONOMIC OPPORTUNITIES STUDY

POPULATION BY EDUCATIONAL ATTAINMENT

PACIFICA HAS A WELL EDUCATED POPULATION

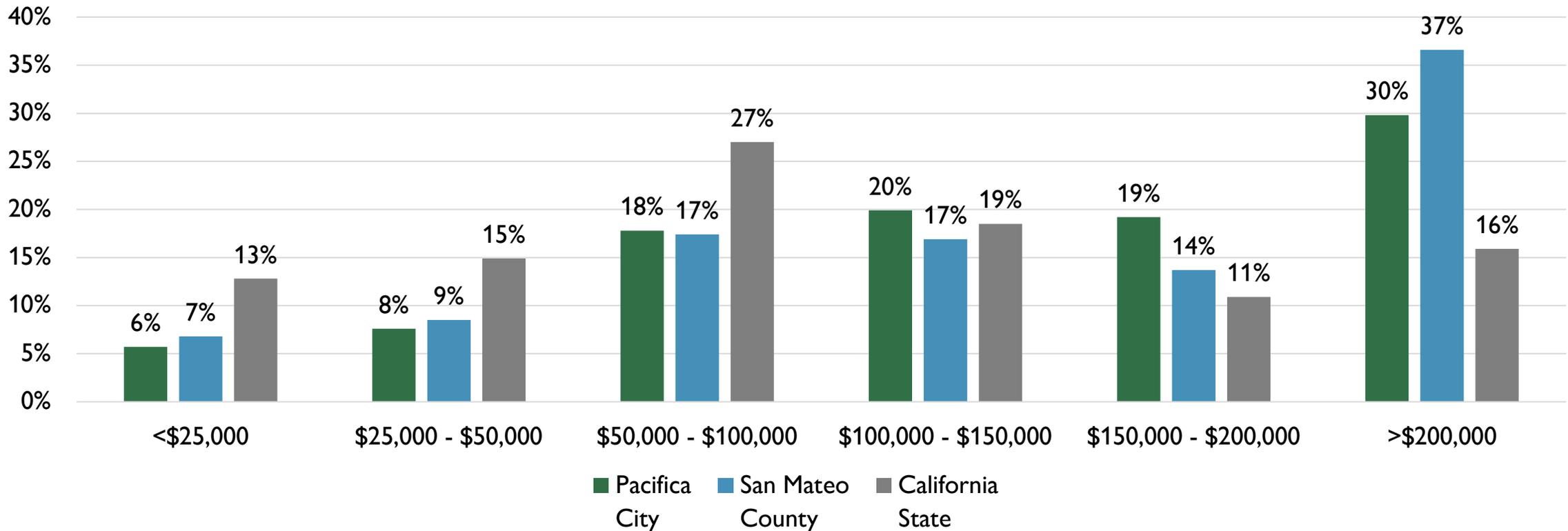
2022 Population by Educational Attainment



POPULATION BY INCOME

PACIFICA HAS A HIGHER PERCENTAGE OF HIGH EARNERS

2021 Households by Income Level

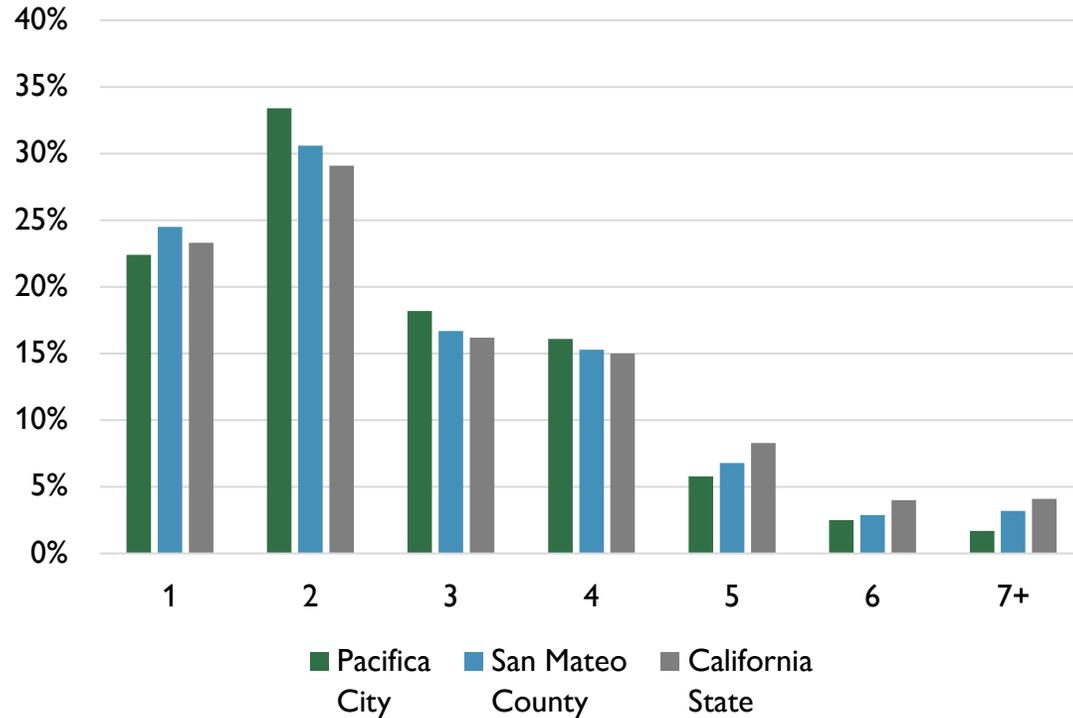


ECONOMIC OPPORTUNITIES STUDY

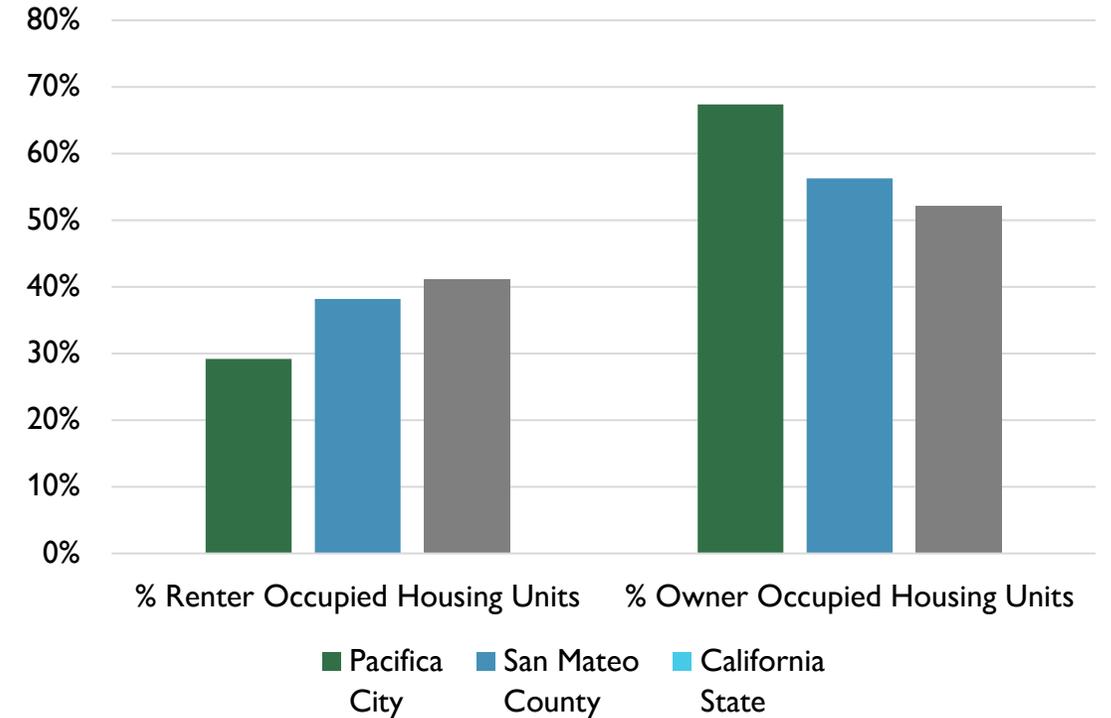
HOUSING & HOUSEHOLD SIZE

CITY HAS A GREATER SHARE OF 2-PERSON HHS & OWNER-OCCUPIED HOUSING UNITS

Households by Household Size
2010 Census Data



Owner & Renter Owned Housing Units
2022 Estimate



ECONOMIC OPPORTUNITIES STUDY

PACIFICA DISTRICTS

Black boundary line shows southern Pacifica City limit.
Red district boundary lines are based on Census Tracts /
Block Groups approximate Business District boundaries

Sources: ESRI BAO Online, City of Pacifica



ECONOMIC OPPORTUNITIES STUDY

DISTRICT DEMOGRAPHIC SUMMARY

	Pacific Manor / Fairmont	Sharp Park / Eureka Square	Rockaway Beach / Valleamar	Linda Mar / Sun Valley	Pedro Point	Citywide
Population	14,600	4,600	3,400	15,000	900	38,500
Households	4,990	1,910	1,270	5,570	350	14,060
Avg HH Size	2.9	2.4	2.6	2.7	2.6	2.7
Median Age	40.7	43.7	46.5	46.8	47.4	43.9
Education: Bach Degree +	51%	55%	55%	47%	76%	51%
HHs Below Poverty Level	6%	7%	2%	2%	0%	4%
Median Household Income	\$146,500	\$137,300	\$160,300	\$141,100	\$200,000	\$146,600
Average Household Income	\$181,200	\$177,400	\$220,500	\$169,800	\$285,400	\$182,100
Median Home Value	\$1,024,600	\$1,169,900	\$1,211,400	\$1,035,200	\$1,348,400	\$1,076,100
Owner Occupied Housing Units	64%	50%	85%	79%	68%	70%
Median Year Housing Unit Built	1967	1967	1961	1964	1966	1965
Median Year Moved into Unit	2010	2012	2003	2003	2010	2007

PACIFICA CENSUS TRACTS

Census Tract Neighborhood
Approximation:

Pacific Manor/Fairmont: 6027, 6028, 6029

Sharp Park / Eureka Square: 6030

Rockaway Beach / Vallemar: 6031

Linda Mar / Sun Valley: 6033, 6034, 6032 (partial)

Pedro Point: 6032 (partial)

Sources:

ESRI BAO Online



ECONOMIC OPPORTUNITIES STUDY

CENSUS TRACT DATA

2020 CENSUS – POPULATION & HOUSEHOLD OVERVIEW

Approx. Neighborhood	Site	2020 Total Population	2020 Total Households	2020 Average Household Size	2020 Total Housing Units	2020 Population Density (Pop per Square Mile)
	Pacifica (City)	38,640	14,180	2.72	14,652	3,070.9
Manor / Edgemar	6027	6,080	1,949	3.11	1,990	8,728.1
Manor / Edgemar	6028	4,639	1,495	3.10	1,535	10,028.1
Manor / Edgemar	6029	3,958	1,596	2.46	1,682	7,531.9
Sharp Park	6030	4,597	1,935	2.36	2,047	3,362.8
Rockaway	6031	3,306	1,252	2.63	1,289	1,176.8
Pedro Point / Linda Mar	6032	3,966	1,434	2.75	1,492	2,270.7
Linda Mar	6033	6,568	2,434	2.69	2,495	2,128.0
Linda Mar	6034	5,561	2,102	2.65	2,140	1,244.2



Source: ESRI Business Analyst Online, 2022

ECONOMIC OPPORTUNITIES STUDY

CENSUS TRACT DATA 2020 CENSUS – POPULATION BY AGE

Approx. Neighborhood	Site	Population: <20 Years	Population: 20-44 Years	Population: 45-64 Years	Population 65+ Years	Population: <20 Years	Population: 20-44 Years	Population: 45-64 Years	Population 65+ Years
	Pacifica (City)	8,104	12,236	11,179	7,144	21%	32%	29%	18%
Manor / Edgemar	6027	1,349	2,487	1,678	705	22%	40%	27%	11%
Manor / Edgemar	6028	1,077	1,557	1,382	892	22%	32%	28%	18%
Manor / Edgemar	6029	761	1,418	1,170	555	19%	36%	30%	14%
Sharp Park	6030	721	1,805	1,103	698	17%	42%	25%	16%
Rockaway	6031	643	912	1,132	570	20%	28%	35%	18%
Pedro Point / Linda Mar	6032	882	772	1,326	617	25%	21%	37%	17%
Linda Mar	6033	841	2,007	1,886	1,404	14%	33%	31%	23%
Linda Mar	6034	1,594	1,292	1,502	1,703	26%	21%	25%	28%

ECONOMIC OPPORTUNITIES STUDY

CENSUS TRACT DATA 2016-2020 ACS – INCOME OVERVIEW

Approx. Neighborhood	Site	2020 Median Household Income	2020 Average Household Income	2020 Households Below the Poverty Level (%)
	Pacifica (City)	\$130,466	\$147,900	4.15%
Manor / Edgemar	6027	\$138,086	\$147,238	5.63%
Manor / Edgemar	6028	\$139,049	\$148,639	5.38%
Manor / Edgemar	6029	\$120,500	\$131,027	8.29%
Sharp Park	6030	\$123,208	\$135,744	6.76%
Rockaway	6031	\$154,156	\$175,774	1.55%
Pedro Point / Linda Mar	6032	\$127,806	\$157,254	1.37%
Linda Mar	6033	\$136,056	\$160,585	1.25%
Linda Mar	6034	\$111,450	\$136,234	2.84%

Source: ESRI Business Analyst Online, 2022

ECONOMIC OPPORTUNITIES STUDY

CENSUS TRACT DATA

2016-2020 ACS – HOUSING UNIT OVERVIEW

Approx. Neighborhood		2020 Total Housing Units	2020 Median Year Structure Built (Total Housing Units)	2020 Housing: 1 Detached Unit in Structure (%)	2020 Owner Households	2020 Renter Households	2020 Total Vacant HUs
	Pacifica (City)	14,246	1965	73.60%	67%	30%	3%
Manor / Edgemar	6027	1,943	1968	67.22%	63%	36%	1%
Manor / Edgemar	6028	1,523	1967	78.92%	75%	25%	0%
Manor / Edgemar	6029	1,664	1963	58.59%	49%	45%	6%
Sharp Park	6030	1,962	1967	46.79%	46%	50%	4%
Rockaway	6031	1,145	1961	86.55%	79%	16%	4%
Pedro Point / Linda Mar	6032	1,396	1958	87.18%	72%	22%	6%
Linda Mar	6033	2,428	1960	84.43%	79%	20%	1%
Linda Mar	6034	2,199	1969	83.67%	75%	23%	2%

ECONOMIC OPPORTUNITIES STUDY

CENSUS TRACT DATA

2016-2020 ACS – HOUSING TENURE OVERVIEW

		Median Year Householder Moved in	Households by Year Householder Moved In:				
			1989/Earlier	1990 - 1999	2000 - 2009	2010 - 2014	2015 or Later
	Pacifica (City)	2007	2,979 (23%)	1,935 (15%)	2,780 (22%)	1,484 (12%)	3,583 (28%)
Manor / Edgemar	6027	2010	308	199	426	121	677
Manor / Edgemar	6028	2010	351	137	267	286	409
Manor / Edgemar	6029	2011	198	227	333	83	593
Sharp Park	6030	2012	304	188	301	178	612
Rockaway	6031	2003	245	201	314	104	161
Pedro Point / Linda Mar	6032	2004	388	141	343	141	261
Linda Mar	6033	2003	538	529	411	359	365
Linda Mar	6034	2003	647	313	385	212	519

Source: ESRI Business Analyst Online, 2022

ECONOMIC OPPORTUNITIES STUDY

PER ACRE POPULATION AND COMMERCIAL DEVELOPMENT COMPARISON BY DISTRICT

	Pacifica	Daly City	South San Francisco	San Bruno	Millbrae	Half Moon Bay
Population Per Acre	5	22	11	13	11	3
Retail SF Per Acre	130	930	440	780	590	470
Shopping Center SF Per Acre	70	540	110	480	120	90
Office SF Per Acre	20	310	1,270	540	190	80
Industrial / Flex SF Per Acre	20	300	3,930	220	60	90
Commercial SF Per Acre	170	1,530	5,640	1,540	830	640
Hotel Rooms Per Acre	0.04	0.06	0.57	0.19	0.58	0.18

Source: ESRI Business Analyst Online, CoStar, 2022

PACIFICA MAJOR EMPLOYERS

Major Employers in Pacifica		
<i>Major Employer</i>	<i>Type</i>	<i>Employees</i>
Pacifica School District	Education	383
City of Pacifica	Government	244
Safeway (3)	Retail	262
Jefferson High School District	Education	108
Oceana Market	Retail	55
Ace Hardware	Retail	14
Recology of the Coast	Waste Management	37
Rite Aid (2)	Retail	34
Ross Dress for Less	Retail	31
North Coast County Water District	Government	18

ECONOMIC OPPORTUNITIES STUDY

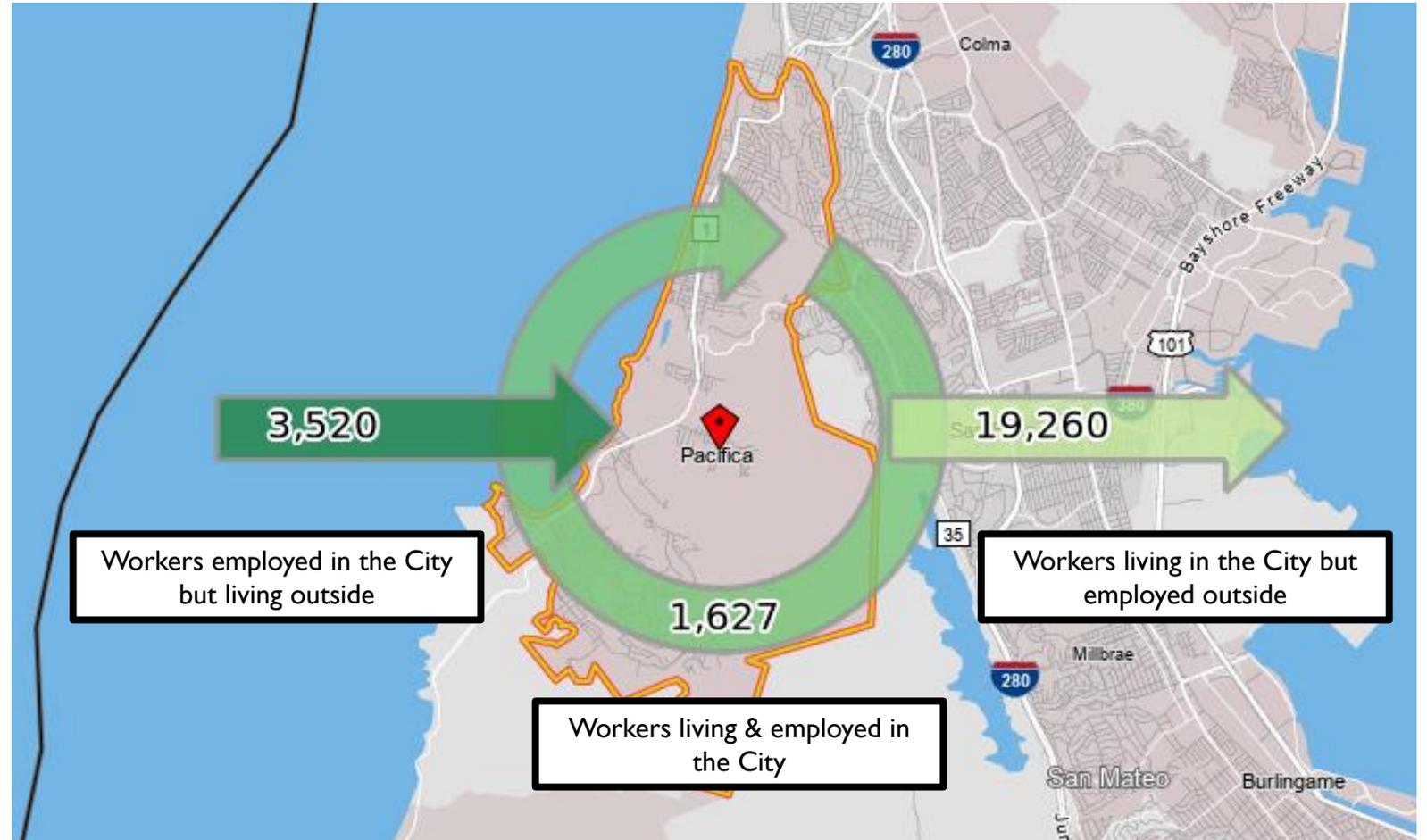
WORKER INFLOW / OUTFLOW

CITY SEES SUBSTANTIAL NET OUTFLOW OF WORKERS COMMUTING TO OTHER COMMUNITIES

Worker Inflow/Outflow (2019)	
Workers Living & Working	1,627
Workers Coming (Inflow)	3,520
Workers Going (Outflow)	19,260
Net Inflow/Outflow	- 15,740
Employment Ratio*	0.25

Source: U.S. Census Bureau Center for Economic Studies (2019, accessed 2022)

Notes: ***Employment Ratio** = People employed within City (living and working in City + those who come into the City for work) / Employed population of City (living and working in City + workers who live in the City, but work outside of the City)



ECONOMIC OPPORTUNITIES STUDY

WORKER DESTINATIONS & ORIGINS CITY OF PACIFICA

- Workers who live in Pacifica primarily work in San Francisco, Pacifica, South San Francisco, San Mateo, and Daly City.
- Employees who work in Pacifica primarily live in Pacifica, San Francisco, Daly City, South San Francisco, and San Bruno.

Outflow: Where Pacifica Residents Commute To			Inflow: Where Pacifica Workers Come From		
City	Count	Percentage	City	Count	Percentage
San Francisco	7,480	35.8%	Pacifica	1,627	31.6%
Pacifica	1,627	7.8%	San Francisco	781	15.2%
South San Francisco	1,498	7.2%	Daly City	440	8.5%
San Mateo	777	3.7%	South San Francisco	233	4.5%
Daly City	675	3.2%	San Bruno	169	3.3%
Burlingame	573	2.7%	San Mateo	152	3.0%
San Jose	513	2.5%	San Jose	118	2.3%
Redwood City	503	2.4%	Oakland	86	1.7%
Oakland	476	2.3%	Hayward	53	1.0%
Palo Alto	372	1.8%	Half Moon Bay	46	0.9%
Other Locations	6,393	31%	Other Locations	1,442	28%

ECONOMIC OPPORTUNITIES STUDY

WORKER OCCUPATIONS CITY OF PACIFICA

- Workers who live in Pacifica primarily work in the Healthcare, Professional / Scientific / Technical Services, Educational Services, and Accommodation / Food Service Industries.
- Employees who work in Pacifica primarily work in the Accommodation / Food Service, Educational services, Healthcare, and Retail Trade industries.

“Industries in which City residents work”

City Resident Employed Population (Age 16+)

Sector	Percentage
Health Care and Social Assistance	13.1%
Professional, Scientific, and Technical Services	11.4%
Educational Services	10.2%
Accommodation and Food Services	9.6%
Retail Trade	8.5%
Construction	5.4%
Transportation and Warehousing	5.4%
Manufacturing	5.3%
Administration & Support, Waste Management and Remediation	5.2%
Public Administration	4.6%
Information	4.4%
Other Services (excluding Public Administration)	3.5%
Finance and Insurance	3.4%
Wholesale Trade	2.9%
Arts, Entertainment, and Recreation	2.2%
Management of Companies and Enterprises	1.7%
Real Estate and Rental and Leasing	1.6%
Utilities	1.1%
Agriculture, Forestry, Fishing and Hunting	0.6%

“Jobs in the City”

Workers Employed Within City

Sector	Percentage
Accommodation and Food Services	17.3%
Educational Services	16.1%
Health Care and Social Assistance	14.3%
Retail Trade	12.4%
Construction	10.2%
Administration & Support, Waste Management and Remediation	5.0%
Public Administration	4.5%
Other Services (excluding Public Administration)	4.4%
Professional, Scientific, and Technical Services	4.0%
Arts, Entertainment, and Recreation	3.1%
Manufacturing	2.9%
Finance and Insurance	1.8%
Real Estate and Rental and Leasing	1.6%
Utilities	0.7%
Transportation and Warehousing	0.6%
Wholesale Trade	0.6%
Information	0.6%
Agriculture, Forestry, Fishing and Hunting	0.1%
Management of Companies and Enterprises	0.0%

ECONOMIC OPPORTUNITIES STUDY



B. GENERAL FUND REVENUE ANALYSIS

Pacifica Economic Opportunity Study

REVENUE ANALYSIS SUMMARY

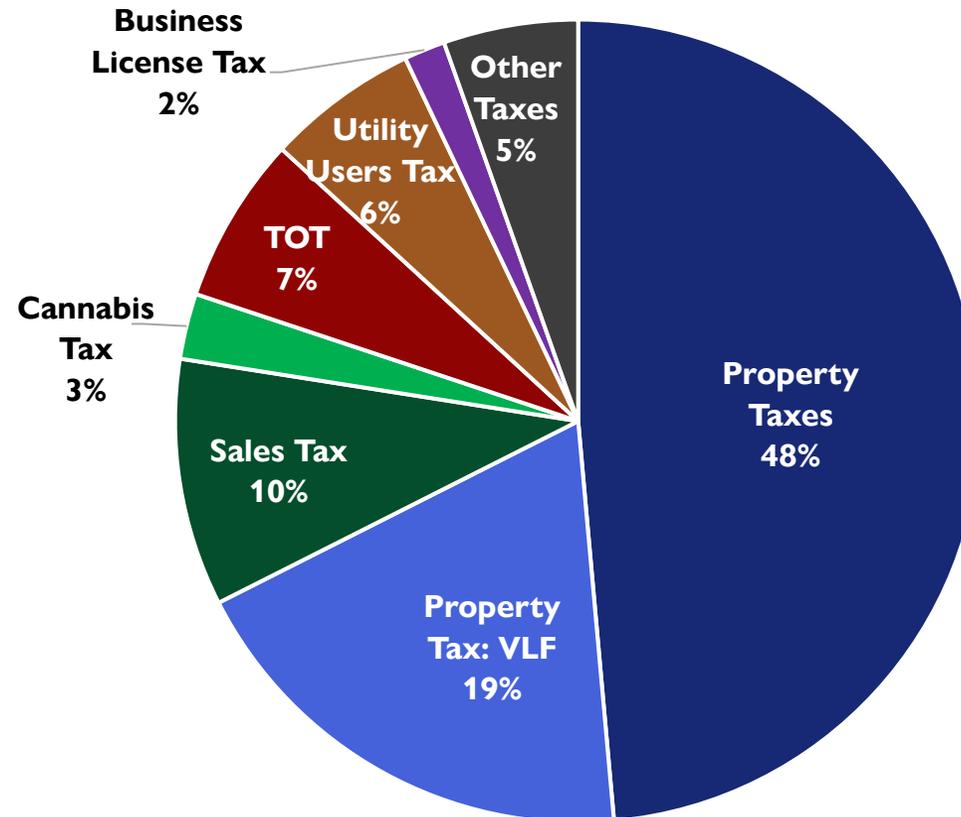
- **Pacifica** receives ~71% of its General Fund revenue from taxes, of 2/3rds are property taxes and VLF, ~20% of its tax revenue from sales / cannabis taxes and balance from hotel and franchise taxes
- **Sales Tax** revenues have grown ~87% since 2012, or approx. 7% per year;
 - Highest collections come from Restaurants / Hotels and Food / Drug, reflecting that modern retail resiliency is driven by essentials and experiences.
 - Highest percentage growth since 2012 in Building / Construction and Restaurants / Hotels. Growth in Building / Construction likely due to big jump in 2020 - 2022 related to pandemic-era renovation and construction (*growth levels likely not sustainable moving forward*).
 - Tax growth in past 5 years has been heavily weighted by County Pool allocations from growth in internet sales – Pacifica’s County Pool allocation grew ~12% annually since 2016, compared to local collections growth of ~4%
- **Property Tax** revenues have grown ~45% since 2012, or approx. 4.2% per year; Assessed Value growth driven by high real estate values and mark-to-market reassessments for long-held properties.

CITY TAX REVENUE OVERVIEW

Pacifica has faced budget deficits, service reductions and inability to fund specific projects in recent years. The City needs to identify opportunities that can spur economic development and increase revenues.

The majority of City tax revenue comes from property taxes, with only ~10% coming from sales taxes and 7% from hotel TOT taxes (much lower than state averages).

**City of Pacifica:
FY2023 Budget - Tax Revenue**



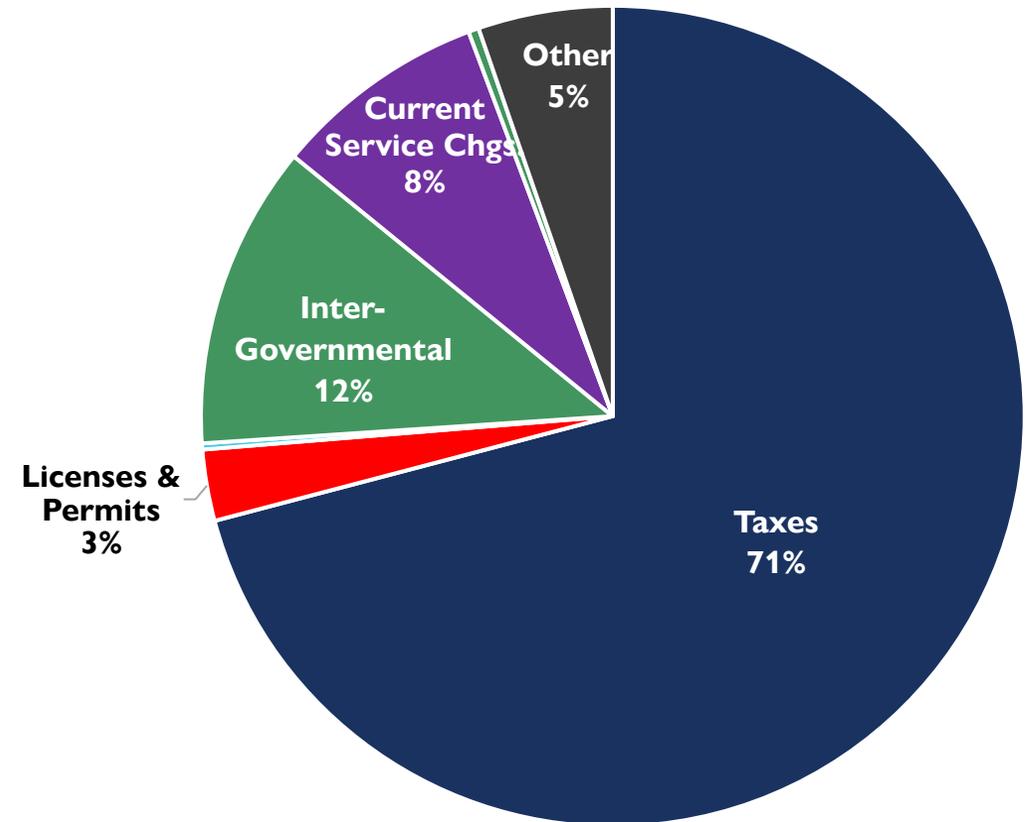
	FY2023 Budget
Property Taxes	\$ 15,181,300
Property Tax: VLF	5,922,400
Sales Tax	3,111,200
Cannabis Tax	825,000
Transient Occupancy Tax	2,100,000
Utility Users Tax	1,905,600
Business License Tax	516,600
Other Taxes	1,687,800
Total	31,249,900

ECONOMIC OPPORTUNITIES STUDY

GENERAL FUND REVENUE

	2021	2021 %	CAGR (2012-2021)
Property taxes	\$15,087,028	48%	4.2%
Sales Taxes	2,848,681	9%	7.2%
Franchise Tax	1,706,107	5%	0.7%
Other Taxes	9,026,832	29%	13.0%
Motor vehicle in lieu - unrestricted	2,643,981	8%	-1.5%
Investment earnings	9,364	0%	-32.8%
Miscellaneous	204,939	1%	-8.8%
Transfers	-250,000	-1%	
Total Governmental Activities	\$31,276,932		4.7%

General Fund Revenue Sources



ECONOMIC OPPORTUNITIES STUDY

HISTORIC TAX REVENUES BY SOURCE

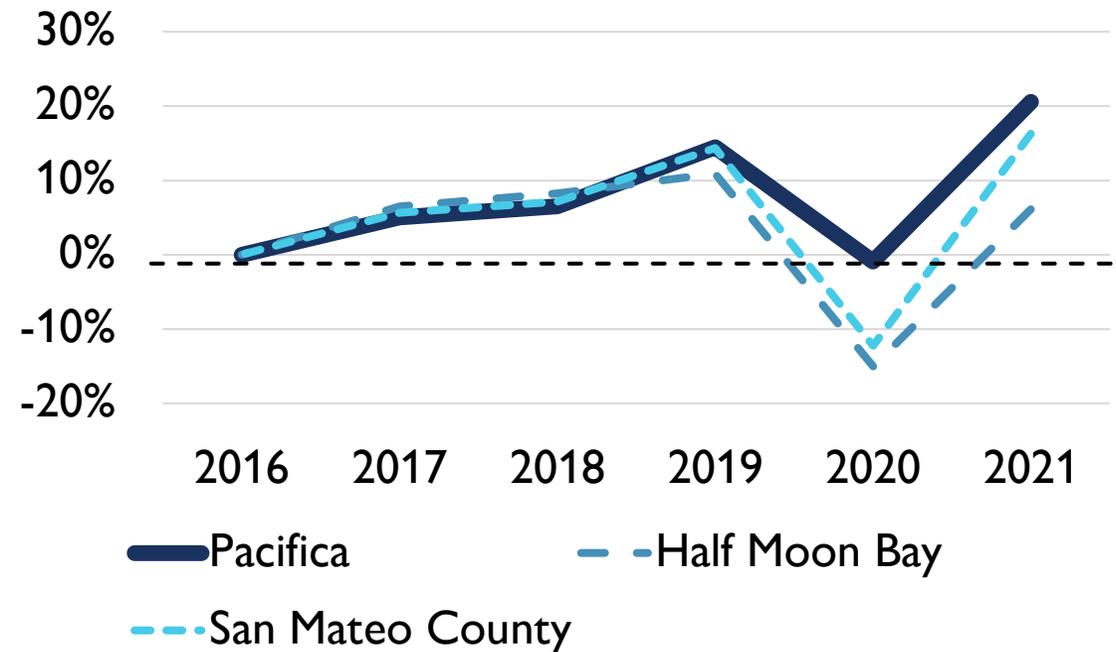
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	CAGR *
Property Taxes	\$10,434,510	\$10,701,810	\$11,275,518	\$12,200,335	\$12,445,509	\$12,679,059	\$13,780,294	\$14,731,311	\$13,030,713	\$15,087,028	4.2%
Sales Taxes	1,519,978	1,588,277	1,686,593	1,754,568	1,983,930	2,374,505	2,350,478	2,611,801	2,570,334	2,848,681	7.2%
Franchise Tax	1,595,929	1,617,727	1,668,382	1,697,972	1,736,620	1,748,266	1,722,343	1,661,717	1,647,467	1,706,107	0.7%
Other Taxes	3,005,388	3,152,723	3,329,647	3,529,485	3,710,615	3,749,159	4,904,111	5,340,307	8,572,837	9,026,832	13.0%
Motor vehicle in lieu - unrestricted	3,039,393	2,923,573	3,164,873	3,320,316	3,543,953	3,731,337	3,973,622	4,199,391	4,253,924	2,643,981	-1.5%
Investment earnings	334,475	164,114	184,700	29,979	-44,457	743,630	151,887	254,481	341,064	9,364	-32.8%
Miscellaneous	469,780	357,630	537,867	259,197	1,481,757	846,648	505,076	2,384,463	571,114	204,939	-8.8%
Transfers	200,000	410,000	15,715	-150	939,559	818,500	98,343	272,500	80,000	-250,000	
Total Governmental Activities	<u>\$20,599,453</u>	<u>\$20,915,854</u>	<u>\$21,863,295</u>	<u>\$22,791,702</u>	<u>\$25,797,486</u>	<u>\$26,691,104</u>	<u>\$27,486,154</u>	<u>\$31,455,971</u>	<u>\$31,067,453</u>	<u>\$31,276,932</u>	4.7%

RETAIL SALES TRENDS

Pacifica has seen steady sales growth since 2016 of approx. 3.8% annually on average.

While the Covid-19 pandemic led to a ~13% drop in sales tax revenues in 2020, Pacifica has recovered. Also worth noting that the City was not as heavily impacted as Half Moon Bay or San Mateo County.

Sales Growth from 2016 Baseline

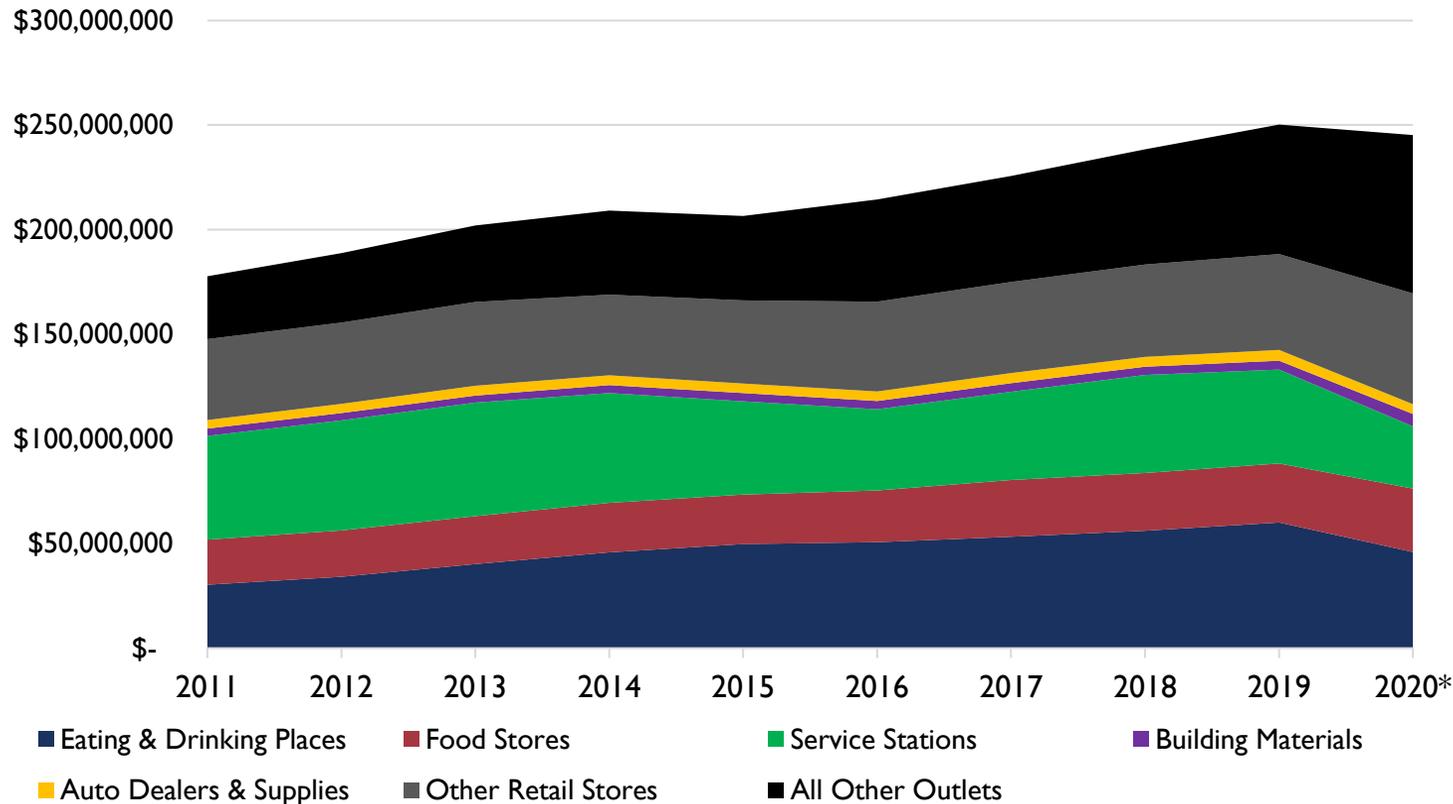


ECONOMIC OPPORTUNITIES STUDY

TAXABLE SALES BY CATEGORY

LARGEST CATEGORIES ARE EATING / DRINKING & FOOD STORES

Taxable Sales By Category

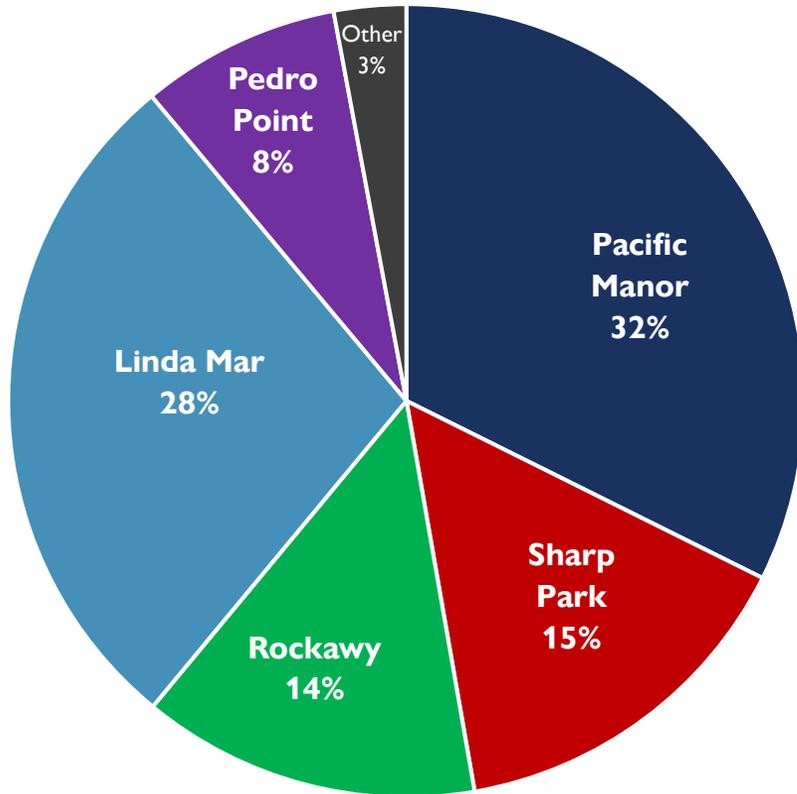


	2020*	%
Eating & Drinking Places	\$45,853,000	19%
Food Stores	\$30,462,000	12%
Service Stations	\$29,641,000	12%
Building Materials	\$5,955,000	2%
Auto Dealers & Supplies	\$4,728,000	2%
Other Retail Stores	\$52,880,000	22%
All Other Outlets	\$75,620,000	31%
TOTAL	\$245,139,000	

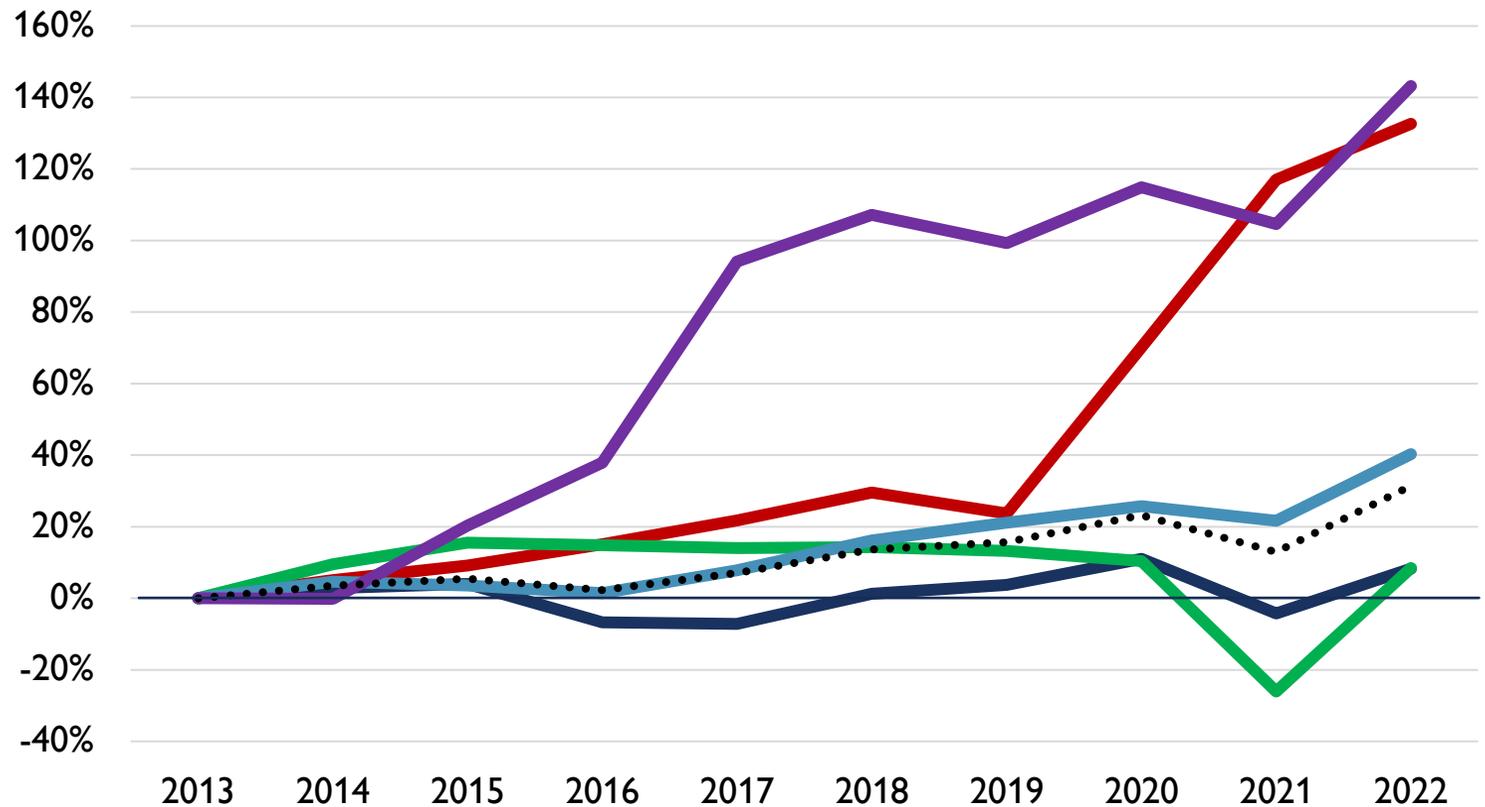
SALES TAX REVENUE BY BUSINESS DISTRICT

STRONG GROWTH AT SHARP PARK AND PEDRO POINT

FY2022 Sales Tax Revenue by District



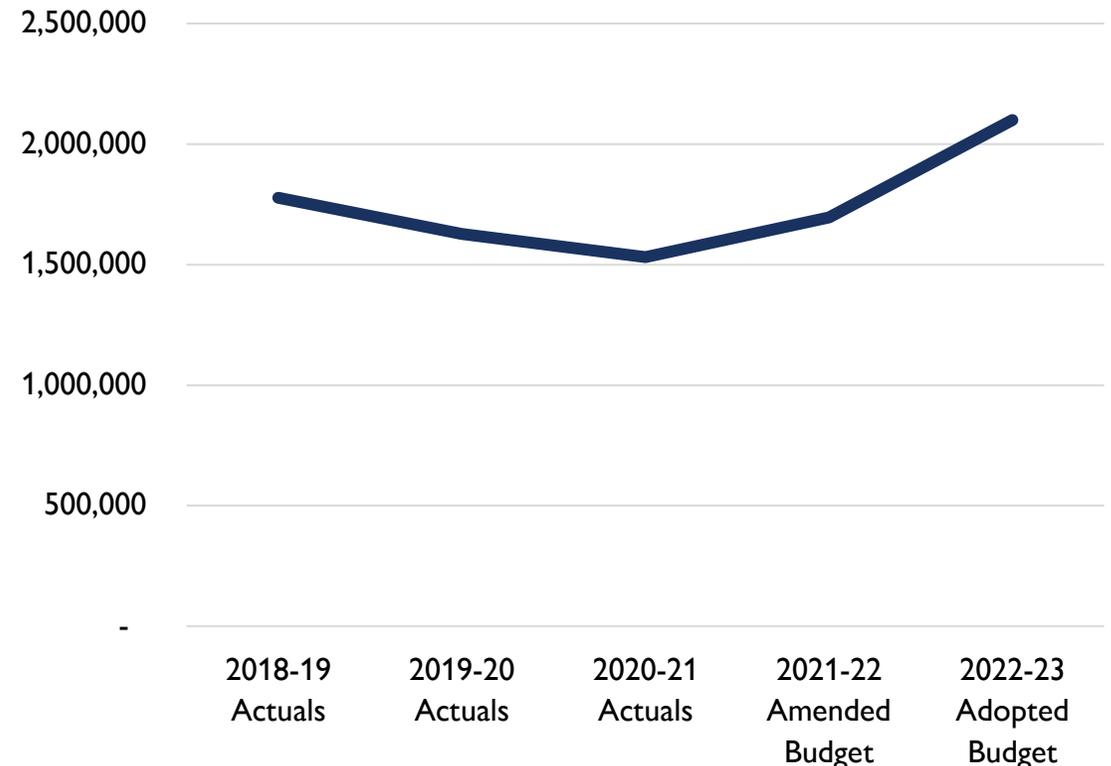
Sales Tax Growth Since 2013



TRANSIENT OCCUPANCY TAX TRENDS

- Pacifica collects a 12% transient occupancy tax (TOT) on hotel room and short-term rental stays.
- TOT revenues fell slightly during the Covid-19 pandemic, but are expected to reach \$2.1 million in FY 2022-23.

Transient Occupancy Tax



ECONOMIC OPPORTUNITIES STUDY

PRINCIPAL PROPERTY TAXPAYERS

Property Taxpayer	Land Use	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
FPA WC Lands End LLC	Multifamily Residential	\$90,842,000	1.30%
AIMCO Pacifica Park Apartments	Multifamily Residential	\$57,039,000	0.82%
GRI Fairmont LLC	Shopping Center	\$39,250,000	0.56%
Linda Mar Shopping Center, LLP	Shopping Center	\$38,446,000	0.55%
Pacifica Villages LP	Multifamily Residential	\$32,229,000	0.46%
CRP/PSE Seaside Pacifica Owner	Mobile Home Park	\$26,506,000	0.38%
2400 Skyline Blvd LLC	Multifamily Residential	\$18,185,000	0.26%
Bay Apartment Communities, Inc.	Multifamily Residential	\$16,307,000	0.23%
Upsky Lighthouse Hotel LLC	Hotel	\$15,322,000	0.22%
LBN Properties LP	Multifamily Residential	\$15,092,000	0.22%

ECONOMIC OPPORTUNITIES STUDY

ILLUSTRATIVE FISCAL IMPACT OF NEW DEVELOPMENT

To evaluate Pacifica economic opportunities, here is an illustration of incremental tax revenues potentially generated from various types of development on a **typical 1-acre parcel**:

	10,000 SF Commercial Services	10,000 SF Retail	10,000 SF Restaurant	50-unit Multifamily Housing	Mixed Use 40-units & 5,000 SF	60-room Upscale Hotel
Property Taxes + VLF in-lieu	\$10,000	\$10,000	\$15,000	\$65,000	\$55,000	\$50,000
Direct Sales & Use Taxes	\$25,000	\$50,000	\$75,000		\$25,000	
Indirect Sales & Use Taxes				\$20,000	\$15,000	\$35,000
Hotel TOT						\$300,000
Annual General Fund Revenues	\$35,000	\$60,000	\$90,000	\$85,000	\$95,000	\$385,000



Source: Estimates are for first stabilized year in 2023 dollars (does not include any inflationary impacts).



C. MARKET ANALYSIS

Pacifica Economic Opportunity Study

ECONOMIC OPPORTUNITIES STUDY

COMMERCIAL REAL ESTATE OVERVIEW CITY OF PACIFICA

Retail	Office	Industrial	Multifamily
<p>Major Shopping Centers include:</p> <ul style="list-style-type: none"> • <u>Linda Mar Shopping Center</u>, a 168k+ SF community center featuring Safeway, Ross Dress for Less, Rite Aid • <u>Fairmont Shopping Center</u>, a 120k+ SF neighborhood center featuring Safeway, Rite Aid • <u>Eureka Square</u>, a 93k+ SF neighborhood center featuring smaller retail shops / restaurants • Several other neighborhood and strip retail centers 	<p>Limited office development; Major office properties include:</p> <ul style="list-style-type: none"> • <u>930 Oddstad Rd</u>, ~20k SF office occupied by Laguna Salada School District • <u>2307 Palmetto Ave</u>, ~12k SF office condo occupied by small professional tenants • <u>1305 Palmetto Ave</u>, 12k SF office occupied by small professional / retail tenants 	<p>Limited industrial development; major industrial properties include:</p> <ul style="list-style-type: none"> • <u>Pacifica Commerce Center</u>, ~49k SF light warehouse / industrial park space, occupied by small industrial and retail tenants • <u>1080 Palmetto Ave</u>, ~26k SF manufacturing space, occupied by food manufacturing / bakery • <u>325 Reina Del Mar Ave</u>, ~13k SF service industrial space occupied by Blue Sky Taxi 	<p>Larger apartment complexes include:</p> <ul style="list-style-type: none"> • <u>100 Esplanade Ave, Oceanaire Apartment Homes</u>, 260 units built in 1974 • <u>265 Gateway Drive, eaves Pacifica</u>, 220 units built 1971 • <u>300 Palmetto Ave, Seacliff Apartments</u>, 132 units built in 1972

COAST HIGHWAY TRAFFIC VOLUMES

- Traffic count estimates for a section of CA-1 just south of Pedro Point shows an average daily traffic volume (ADV) of ~21,000 cars total (~51% southbound traffic).
 - The highest days for travel along the route are Friday (24.1k ADV) and Saturday (23.6k ADV), and the lowest are Wednesdays (19k ADV)
 - Travel tends to peak during the day between 12pm - 6pm, reaching ~2,000 cars / hour on Saturdays and Sundays between 12pm and 2pm.
 - Northbound traffic patterns are similar with more volume on weekday mornings
- Pacifica sees a relatively high level of travel along Coast Highway, with an estimated 10,700 trips passing the City southbound (~91% of those trips are from travelers who live outside Pacifica).

Southbound Traffic Volume: CA-1 South of Pedro Point

	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
12am - 2am	47	41	41	44	52	73	67
2am - 4am	32	30	30	34	37	39	33
4am - 6am	83	80	77	81	83	59	42
6am - 8am	276	292	273	283	287	210	152
8am -10am	515	496	475	505	546	562	463
10am - 12pm	742	658	641	696	810	970	918
12pm - 2pm	848	758	745	803	968	1091	1078
2pm - 4pm	879	819	783	853	1025	1013	982
4pm - 6pm	835	829	788	844	995	843	773
6pm - 8pm	520	527	512	569	709	577	505
8pm - 10pm	259	266	269	308	404	339	277
10pm - 12am	113	110	114	140	212	184	122
TOTAL	10,298	9,812	9,496	10,320	12,256	11,920	10,824

TRAFFIC VISITOR DATA

- According to Placer.ai mobile analytics data, visitors who travel through this point on CA-1 just south of Pedro Point are overwhelming from home locations outside of Pacifica: ~9% of travelers are from Pacifica, ~32% from Half Moon Bay area, ~12% from San Francisco, ~4% from Daly City, ~2% from South San Francisco, and the remainder from a wide variety of other cities in the Bay Area and beyond.
- Prior to / after traveling through the point on CA-1, some of the most common locations are restaurants / hotels in Half Moon Bay and nearby beach / hiking locations.

Top 20 Prior / Post Locations

1. Sam's Chowder House, Half Moon Bay	11. Oceano Hotel, Half Moon Bay
2. Pacifica State Beach, Pacifica	12. The Ritz-Carlton, Half Moon Bay
3. Montara Mountain, Montara	13. Ross Dress For Less, Pacifica
4. Safeway (Linda Mar), Pacifica	14. Grocery Outlet Bargain Market, Pacifica
5. Half Moon Bay Harbor, Half Moon Bay	15. Poplar Beach, Half Moon Bay
6. Barbara's Fish Trap, Half Moon Bay	16. Ketch Joanne, Half Moon Bay
7. James V. Fitzgerald Marine Reserve, Moss Beach	17. Mezza Luna Restaurant, Half Moon Bay
8. Half Moon Bay Brewing Company, Half Moon Bay	18. Pillar Point Harbor, Half Moon Bay
9. San Francisco International Airport, San Francisco	19. Moss Beach Distillery, Moss Beach
10. Montara State Beach, Montara	20. Half Moon Bay Golf Links, Half Moon Bay

FOG FEST PLACER.AI DATA

Placer.ai data was used to analyze Fog Fest visitors:

- Approx. 36,100 visits from 31,500 visitors came to the Palmetto area on Fog Fest weekend in 2022, six times the normal level of weekend visits and ~20% higher than prior years.
- These visitors have average household incomes of \$122,000, similar to income levels of typical weekend visitors.
- Median dwell time was ~80 minutes, approximately 50% longer than a typical weekend visit.
- Most visits were from visitors with home locations in Pacifica and other Bay Area cities, with ~7% of visitor home locations greater than 50 miles away.

Visit Estimates	Saturday	Sunday	Total
<i>Typical Weekend (2022)</i>	3,400	2,900	6,300
Fog Fest 2022	20,000	16,100	36,100
Fog Fest 2019	16,900	12,200	29,100
Fog Fest 2018	15,700	13,800	29,500
Fog Fest 2017	18,800	13,200	32,000

Fog Fest 2022: Visits by City of Home Origin

City	%	City	%
Pacifica	19%	San Pablo	2%
San Francisco	16%	San Mateo	2%
Daly City	8%	Redwood City	2%
S. San Francisco	5%	Oakland	2%
San Bruno	4%	Sacramento	1%
San Jose	3%	Fremont	1%

SHARP PARK GOLF COURSE PLACER.AI DATA

Placer.ai data was used to analyze visitors to the Sharp Park Golf Course who spent at least one hour at the location:

- Approx. 66,100 visits from 26,100 visitors came to the Sharp Park Golf Course over the past year.
- Visits peak in May / June; peak day is Tuesday, followed by Friday – Sunday; peak time is noon, with 48% of visits occurring between 10am and 3pm.
- Visitors have average household incomes of \$138,000.
- Most visits were from visitors with home locations in San Francisco, Pacifica, and other nearby cities, with ~10% of visitor home locations greater than 50 miles away.

Sharp Park Golf Course: Visits by City of Home Origin

City	%	City	%
San Francisco	32%	South San Francisco	2%
Pacifica	24%	Burlingame	2%
San Mateo	6%	San Jose	2%
Daly City	3%	Half Moon Bay	2%
Belmont	3%	Rocklin	1%

HOTEL PLACER.AI DATA

- Placer.ai data was used to analyze overnight visitors to the hotels in Pacifica over the past year. According to this data, the Rockaway Beach Plaza area saw 122,400 overnight visits over the past year; these visits were split fairly evenly between the Fairfield Inn, Pacifica Lighthouse Wyndham, and Inn at Rockaway. The Pacifica Beach Hotel saw ~43,000 visits.
- Visits peak in July; peak day is Friday, with ~57% of visits occurring Friday - Sunday.
- Approx. 65% of visits are from visitors >30 miles away, and 79% of visits are from California visitors.
- Fairfield Inn draws a higher percentage of visits from longer distances: ~52% of visits from visitors >250 miles away, compared to 27% for Rockaway Beach Plaza overall.
- Visitors to the Rockaway hotel area have average household incomes of \$112,000.

Rockaway Beach Plaza: Overnight Visits by Home City

City	%	City	%
<i>California Cities</i>			
Pacifica	9%	Millbrae	3%
San Francisco	5%	Hayward	2%
Daly City	4%	S. San Francisco	2%
San Jose	3%	Stockton	2%
Sacramento	3%	El Centro	2%
<i>Visitors from Other States</i>			
Nevada (Reno, Las Vegas, Carson City)	3%	Colorado (Littleton, Denver, Co. Springs)	1%
Texas (Houston, Austin, DFW)	2%	Oregon (Portland, Eugene)	1%
Washington (Seattle, Vancouver, Bellevue)	2%	New York (NYC, New Paltz)	1%
Arizona (Phoenix, Scottsdale)	1%	Georgia (Atlanta suburbs)	1%

ECONOMIC OPPORTUNITIES STUDY

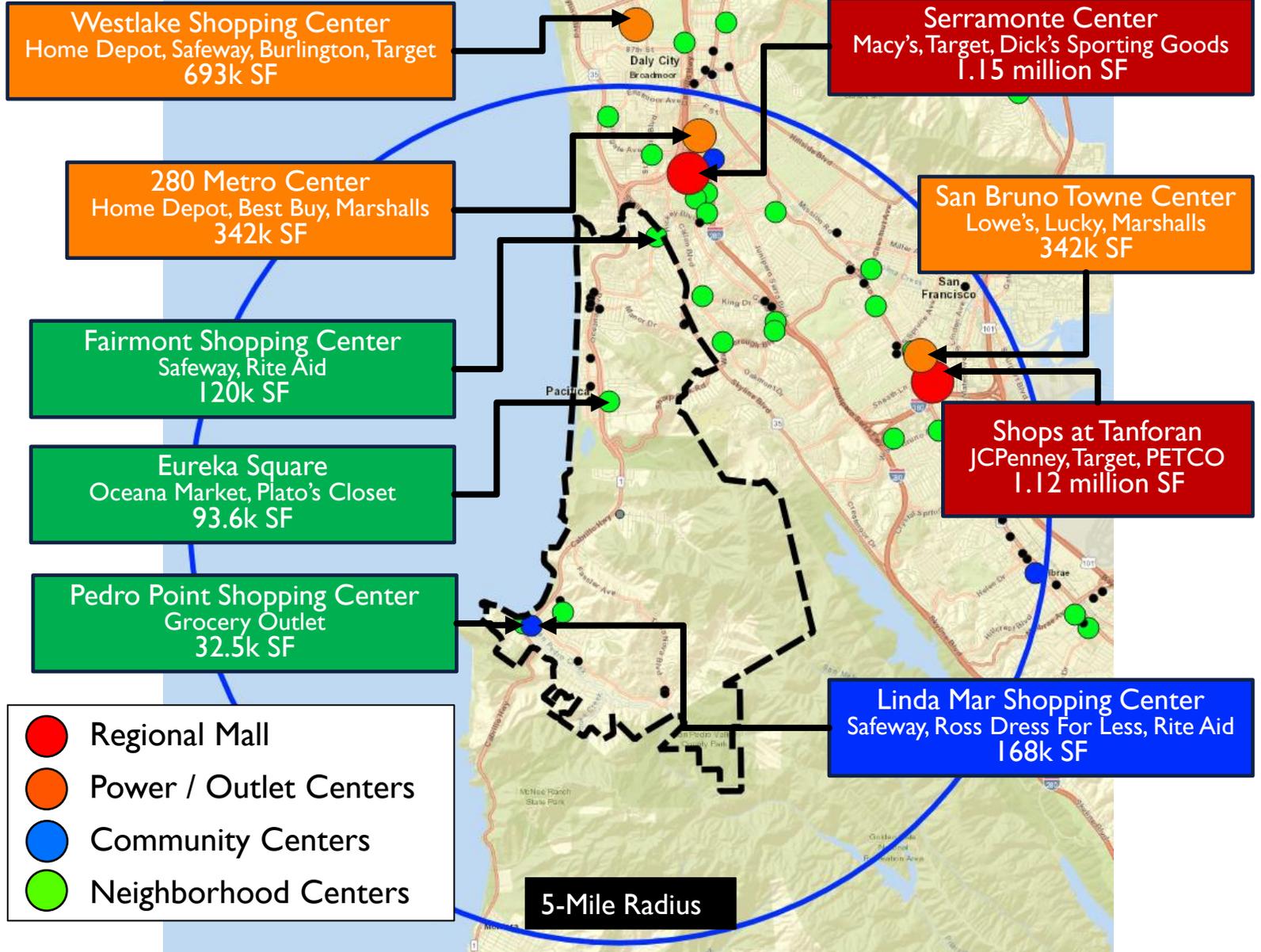
PACIFICA

MAJOR SHOPPING CENTERS WITHIN 5-MILE RADIUS

~12.96 million SF	Shopping Center Inventory in San Mateo County
~769,700	2022 San Mateo County Population
~16.8 SF per capita	Shopping Center SF per capita in San Mateo County
~15.2 SF per capita	City of Pacifica

Sources:

ESRI Business Analyst Online
CoStar (Accessed June/July 2022)

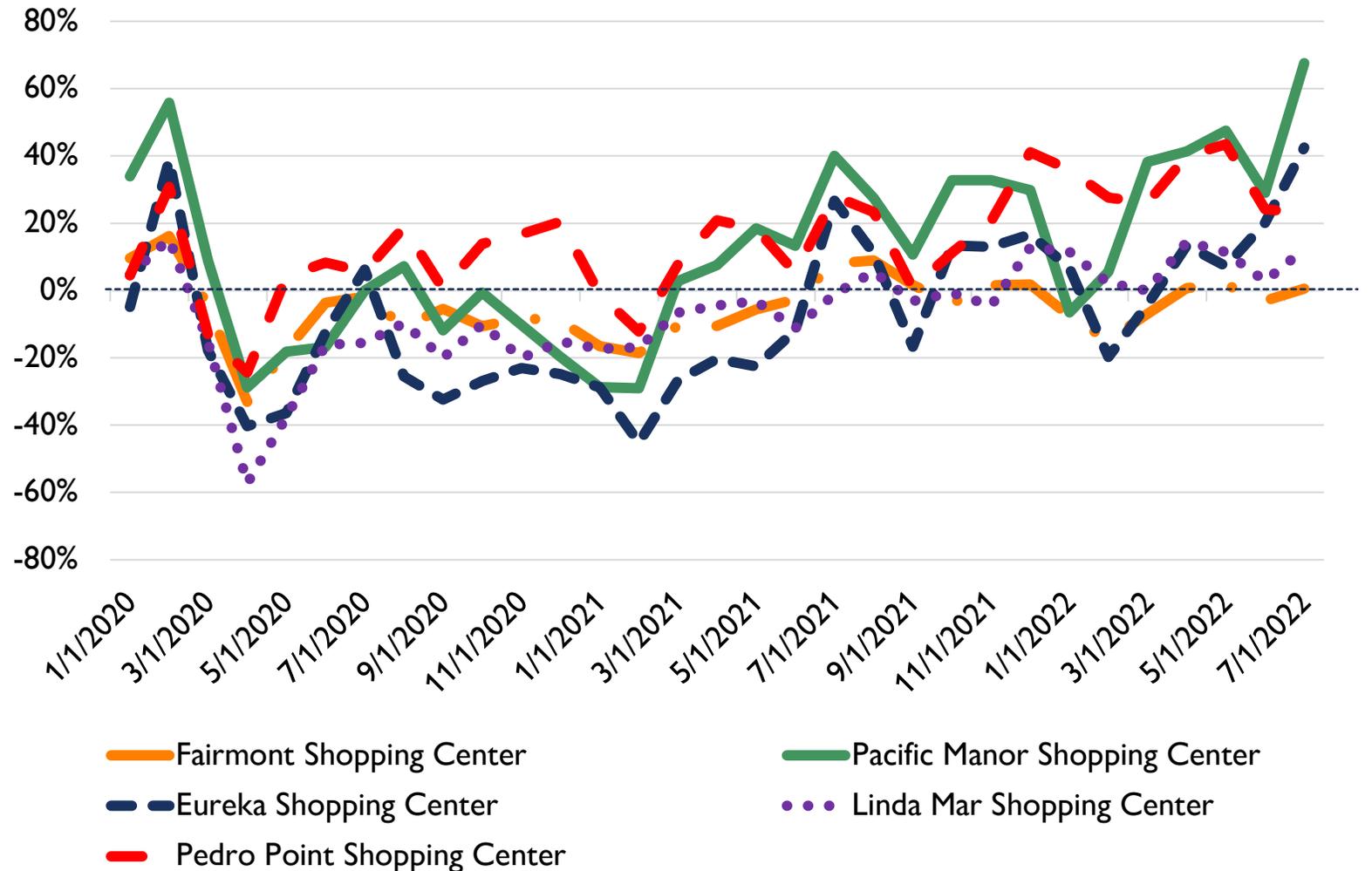


ECONOMIC OPPORTUNITIES STUDY

PACIFICA SHOPPING CENTER VISITOR PERFORMANCE

	Median Weekly Visits	July % Chng. Pre-Covid Baseline
Fairmont Shopping Center	29,800	+ 1%
Eureka Shopping Center	9,200	+ 43%
Pacific Manor Shopping Center	16,800	+ 68%
Linda Mar Shopping Center	40,500	+ 12%
Pedro Point Shopping Center	16,400	+ 23%

Shopping Center Visitor Performance: Comparison to Pre-Covid Baseline



ECONOMIC OPPORTUNITIES STUDY

PACIFICA RESIDENTS

RETAIL SUPPLY & DEMAND

As expected for a small community, Pacifica has significant retail leakage in many categories:

Sources:

Placer.ai (Accessed July/August 2022)

	Demand	Supply	Surplus/Leakage	
Auto & Fuel	\$ 263,900,000	\$ 30,800,000	(\$233,100,000)	-88%
Home Furnishings, Hardware, Garden	76,100,000	13,200,000	(\$62,900,000)	-83%
Food and Drugs	166,700,000	89,900,000	(\$76,800,000)	-46%
E-Commerce	169,600,000	5,800,000	(\$163,800,000)	-97%
Consumer Goods	184,700,000	99,600,000	(\$85,100,000)	-46%
Restaurants	68,500,000	65,400,000	(\$3,100,000)	-5%
Other	25,700,000	10,200,000	(\$15,500,000)	-60%
Total	\$ 955,100,000	\$ 314,900,000	(\$640,200,000)	-67%

ECONOMIC OPPORTUNITIES STUDY

PACIFICA RESIDENTS TOP VISITED PLACES – PLACER.AI

Sources:
Placer.ai (Accessed December 2022)

Shopping Centers

Location	City	%
Serramonte Center	Daly City	74%
Linda Mar Shopping Center	Pacifica	61%
Serra Shopping Center	Colma	50%
Pacific Manor Shopping Center	Pacifica	48%
280 Metro Center	Colma	47%
Fairmont Shopping Center	Pacifica	47%
The Shops at Tanforan	San Bruno	44%
Pedro Point Shopping Center	Pacifica	43%
Westlake Shopping Center	Daly City	42%
Rockaway Beach Plaza	Pacifica	42%

Super Stores

Location	City	%
Target (Serramonte Center)	Daly City	45%
Costco Wholesale (El Camino)	So. San Francisco	39%
Target	Colma	33%
Costco Wholesale (Airport Blvd)	So. San Francisco	23%
Target	San Bruno	15%
Costco Wholesale (Dubuque Ave)	So. San Francisco	9%

Grocery Stores

Location	City	%
Safeway (Linda Mar SC)	Pacifica	44%
Safeway (Manor Plaza)	Pacifica	33%
Safeway (Hickey Blvd)	Pacifica	33%
Grocery Outlet Bargain Market	Pacifica	29%
Oceana Market	Pacifica	21%
Safeway	South San Francisco	17%
Trader Joe's	South San Francisco	14%
Sun Valley Fine Food	Pacifica	13%
99 Ranch Market	Daly City	12%
Seafood City	South San Francisco	12%

Home Improvement / Home Furnishings

Location	City	%
The Home Depot	Colma	26%
Lowe's	San Bruno	14%
Linda Mar Ace Home Center	Pacifica	11%
Bed Bath & Beyond	Daly City	9%
The Home Depot	Daly City	9%
Cost Plus World Market	Daly City	8%
Pacific Manor Hardware	Pacifica	7%
The Home Depot	Colma	7%
IKEA	East Palo Alto	7%
Living Spaces	Millbrae	4%

ECONOMIC OPPORTUNITIES STUDY

PACIFICA RESIDENTS TOP VISITED PLACES – PLACER.AI

Sources:
Placer.ai (Accessed December 2022)

Shops (Select Categories)

Location	City	%
Dollar Tree	Pacifica	22%
Michaels	Colma	19%
Pet Food Express	Pacifica	17%
PetSmart	Daly City	15%
Nor Cal Surf Shop	Pacifica	11%
Party City	Daly City	9%
Florey's Book Co.	Pacifica	6%
Dollar Tree	S San Francisco	5%
Manor Music	Pacifica	5%
Tons of Bubbles	Pacifica	4%

Restaurants

Location	City	%
Original Joe's Westlake	Daly City	15%
La Playa	Pacifica	12%
Sizzler	Colma	9%
Grand HotPot	Pacifica	9%
Chevys Fresh Mex	So. San Francisco	9%
Taqueria la Mordida	Pacifica	9%
Moonraker Restaurant	Pacifica	9%
Beach Monkey Organic Café	Pacifica	8%
Taqueria El Gran Amigo	Pacifica	8%
Black Bear Diner	Colma	8%

Pharmacy

Location	City	%
Rite Aid	Pacifica	30%
Walgreens	Pacifica	28%
Rite Aid	Pacifica	11%
CVS	Daly City	7%
CVS	San Bruno	3%
Walgreens	So. San Francisco	2%
Walgreens	Daly City	2%
Walgreens	Millbrae	2%
Rite Aid	Half Moon Bay	2%
CVS	Burlingame	2%

Bars & Pubs

Location	City	%
The Longboard Margarita Bar	Pacifica	12%
Pacifica Brewery	Pacifica	9%
Half Moon Bay Brewing Company	Half Moon Bay	6%
Winters Tavern	Pacifica	6%
Humble Sea Brewing Co.	Pacifica	6%
Moose Lodge	Pacifica	6%
Grape In The Fog A	Pacifica	5%
Old Princeton Landing	Half Moon Bay	3%
Pedro Point Brewing	Pacifica	2%
Fiddlers Green, Millbrae	Millbrae	2%

ECONOMIC OPPORTUNITIES STUDY

PACIFICA RESIDENTS TOP VISITED PLACES – PLACER.AI

Sources:
Placer.ai (Accessed December 2022)

Fitness		
Location	City	%
Pacifica Athletic Center	Pacifica	10%
Crunch Fitness	Daly City	8%
24 Hour Fitness	Pacifica	7%
Anytime Fitness	Pacifica	7%
Orangetheory Fitness	Pacifica	7%
Ocean Yoga	Pacifica	3%
iLoveKickboxing	Pacifica	3%
24 Hour Fitness	Daly City	2%
Training For Warriors	Pacifica	2%
Terra Nova Fitness	Pacifica	2%

Hotels / Casinos (Local)		
Location	City	%
Sea Breeze Motel	Pacifica	18%
Pacifica Lighthouse, Trademark Collection by Wyndham	Pacifica	11%
Pacifica Beach Hotel	Pacifica	11%
Lucky Chances Casino	Colma	5%
Fairfield Inn	Pacifica	4%
Artichoke Joe's Casino	San Bruno	4%
Graton Resort and Casino	Rohnert Park	3%
Inn at Rockaway	Pacifica	2%
Hyatt Regency	Burlingame	2%
The Ritz-Carlton	Half Moon Bay	2%

Theaters & Music Venues		
Location	City	%
Century 20 Daly City	Daly City	20%
Century 10 Theatre	San Bruno	9%
Century at Tanforan and XD	San Bruno	8%
Century Theatres	San Bruno	7%
Century Theatres	Daly City	6%
Terra Nova Theater	Pacifica	5%
Century Theatres	San Mateo	3%
Warfield Theatre	San Francisco	3%
Orpheum Theatre	San Francisco	2%
Pacifica Spindrift Players	Pacifica	2%

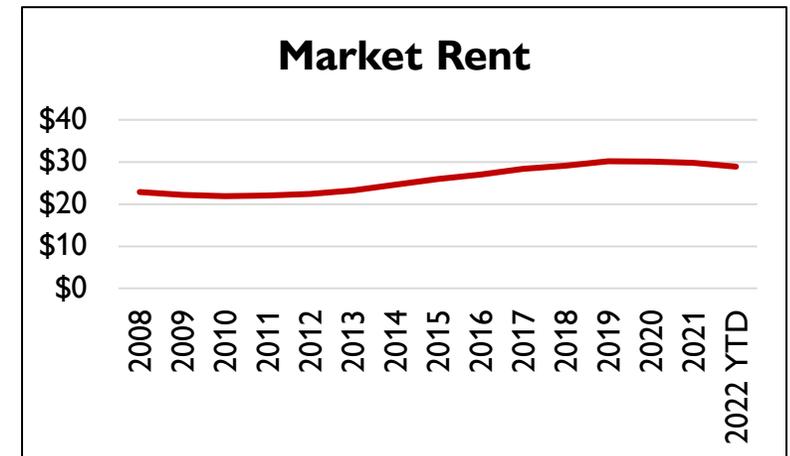
Attractions (Local)		
Location	City	%
Sea Bowl	Pacifica	15%
Chase Center	San Francisco	9%
Sharp Park Golf Course	Pacifica	9%
Pacifica Fog Fest	Pacifica	8%
Santa Cruz Beach Boardwalk	Santa Cruz	8%
Classic Bowling Center	Daly City	7%
California's Great America	Santa Clara	7%
Pacifica Community Center	Pacifica	6%
Maker Faire	San Mateo	5%
Jean Brink Pool	Pacifica	5%

ECONOMIC OPPORTUNITIES STUDY

RETAIL MARKET HISTORY CITY OF PACIFICA

City retail inventory has remained virtually unchanged over the past 10 years at 1 million SF, with vacancy at 2.8% and annual market rents at \$29 psf.

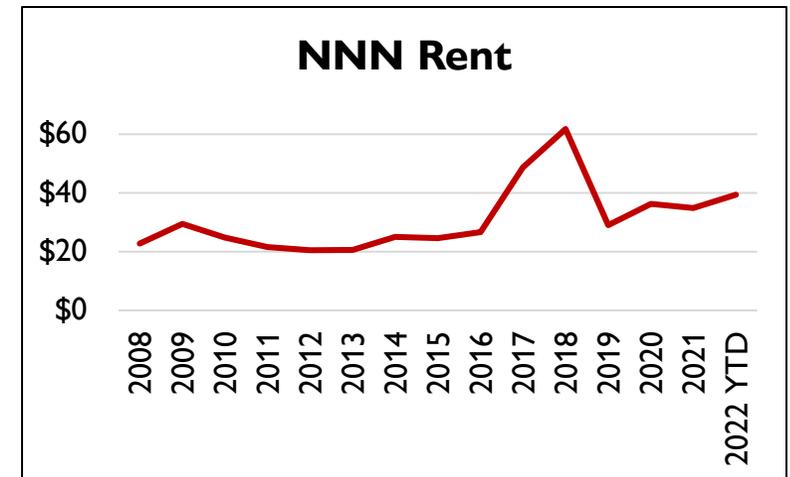
Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Market Rent
2022 YTD	1,009,317	28,526	2.8%	(6,638)	\$28.91
2021	1,009,317	21,888	2.2%	8,065	\$29.78
2020	1,009,317	29,953	3.0%	(12,027)	\$30.12
2019	1,006,213	14,822	1.5%	1,465	\$30.13
2018	1,002,013	12,087	1.2%	11,865	\$29.15
2017	1,001,401	23,340	2.3%	(8,564)	\$28.33
2016	1,001,401	14,776	1.5%	33,631	\$26.98
2015	1,001,401	48,407	4.8%	(38,034)	\$25.93
2014	1,010,901	19,873	2.0%	27,432	\$24.57
2013	1,007,801	44,205	4.4%	(656)	\$23.27
2012	1,007,801	43,549	4.3%	798	\$22.40



ECONOMIC OPPORTUNITIES STUDY

RETAIL MARKET HISTORY PENINSULA COASTLINE SUBMARKET

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	NNN Rent Overall
2022 YTD	3,093,524	44,584	1.4%	(3,633)	\$39.43
2021	3,092,724	40,951	1.3%	3,828	\$34.93
2020	3,092,724	44,779	1.4%	(11,757)	\$36.31
2019	3,089,620	29,918	1.0%	708	\$28.98
2018	3,085,420	26,426	0.9%	32,850	\$61.80
2017	3,075,696	49,552	1.6%	(15,592)	\$48.69
2016	3,075,696	33,960	1.1%	40,372	\$26.69
2015	3,075,696	74,332	2.4%	(38,421)	\$24.61
2014	3,085,196	45,411	1.5%	24,470	\$25.05
2013	3,082,096	66,781	2.2%	578	\$20.57
2012	3,083,777	69,040	2.2%	(6,210)	\$20.51
2011	3,097,281	76,334	2.5%	(13,438)	\$21.51
2010	3,097,281	62,896	2.0%	(6,815)	\$24.85
2009	3,104,371	63,171	2.0%	829	\$29.45
2008	3,079,290	38,919	1.3%	27,190	\$22.70



Source: CoStar (Accessed June/July 2022)

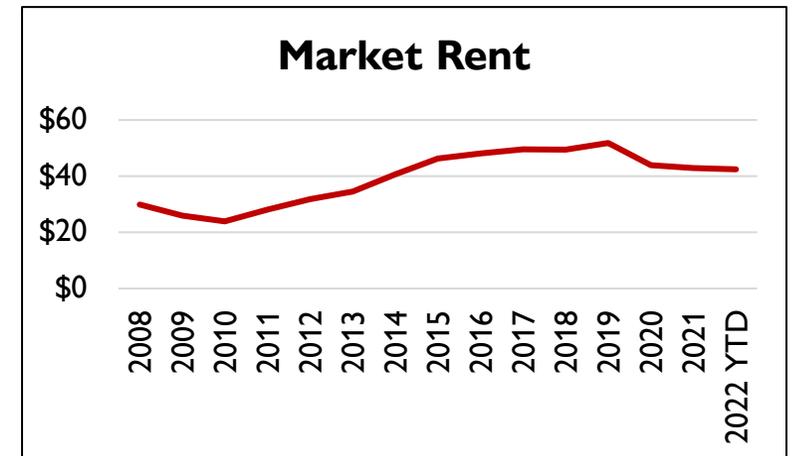
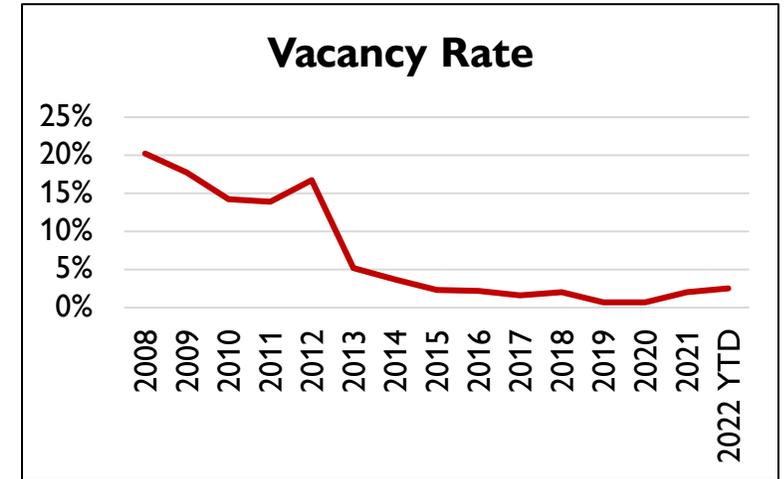
Note: Costar defines Triple Net (NNN) as “a lease where the tenant is responsible for all expenses associated with their proportional share of occupancy of the building, except long-lived structural components and management charges.”

ECONOMIC OPPORTUNITIES STUDY

OFFICE MARKET HISTORY CITY OF PACIFICA

City office inventory has remained unchanged over the past 10 years at ~174k SF, with current vacancy at ~2.5% and annual market rents at ~\$42 psf.

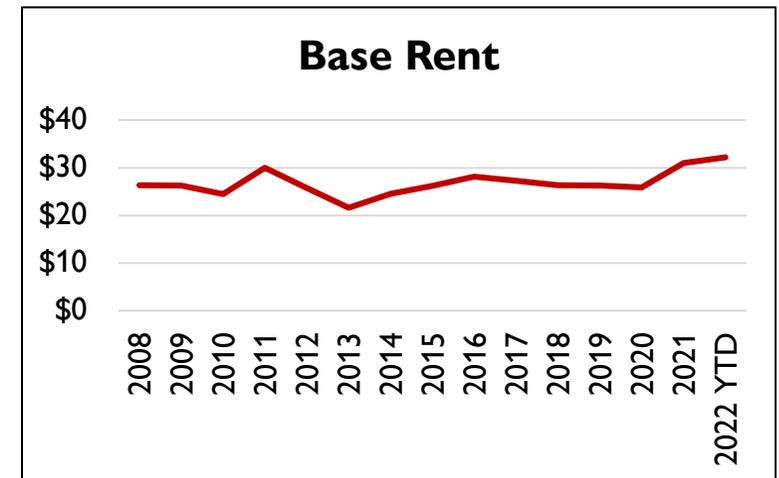
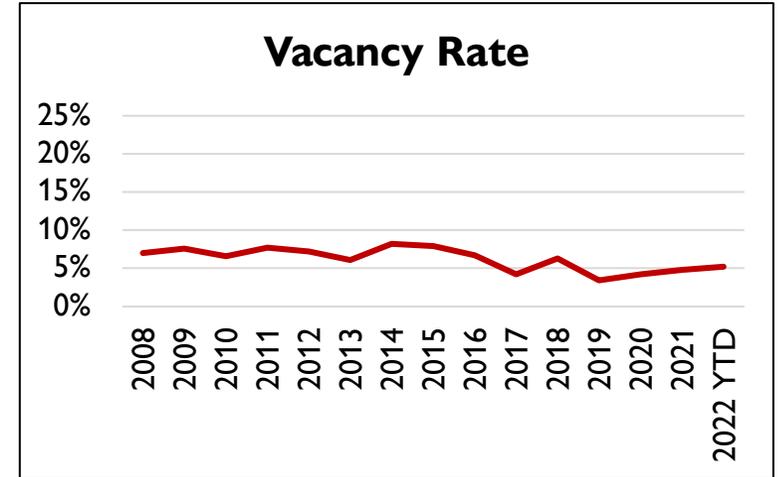
Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Base Rent Overall
2022 YTD	173,790	4,363	2.5%	(949)	\$42.41
2021	173,790	3,414	2.0%	(2,214)	\$42.89
2020	173,790	1,200	0.7%	-	\$43.84
2019	173,790	1,200	0.7%	2,282	\$51.80
2018	173,790	3,482	2.0%	(782)	\$49.39
2017	173,790	2,700	1.6%	1,085	\$49.52
2016	173,790	3,785	2.2%	165	\$48.09
2015	173,790	3,950	2.3%	2,414	\$46.28
2014	173,790	6,364	3.7%	2,703	\$40.55
2013	173,790	9,067	5.2%	19,983	\$34.45
2012	173,790	29,050	16.7%	(4,950)	\$31.82



ECONOMIC OPPORTUNITIES STUDY

OFFICE MARKET HISTORY PENINSULA COASTLINE SUBMARKET

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Base Rent Overall
2022 YTD	665,218	34,335	5.2%	(2,268)	\$32.20
2021	665,218	32,067	4.8%	(4,374)	\$31.01
2020	665,218	27,693	4.2%	(5,047)	\$25.90
2019	665,218	22,646	3.4%	17,087	\$26.30
2018	667,594	42,109	6.3%	(9,271)	\$26.31
2017	662,352	27,596	4.2%	15,151	\$27.25
2016	663,773	44,168	6.7%	8,176	\$28.12
2015	663,773	52,344	7.9%	390	\$26.18
2014	665,773	54,734	8.2%	(10,475)	\$24.57
2013	662,150	40,636	6.1%	7,050	\$21.63
2012	662,150	47,686	7.2%	3,506	\$25.74
2011	662,150	51,192	7.7%	(7,206)	\$29.97
2010	662,150	43,986	6.6%	8,103	\$24.47
2009	660,312	50,251	7.6%	(4,020)	\$26.28
2008	660,312	46,231	7.0%	(76)	26.33



Source: CoStar (Accessed June/July 2022)

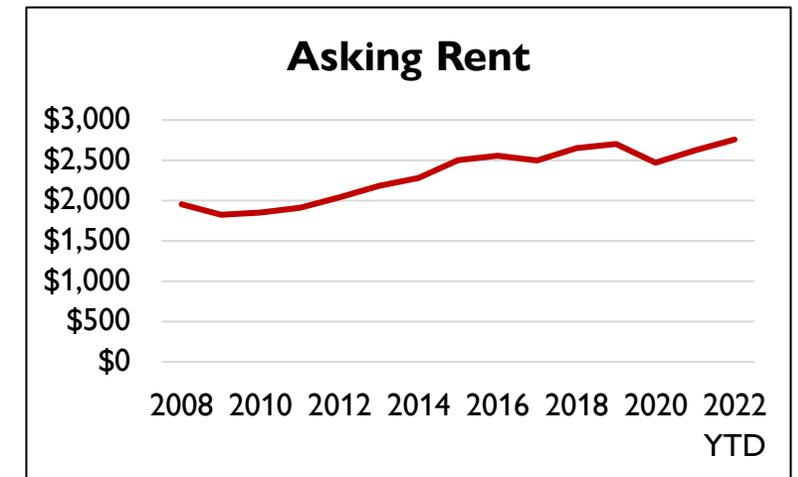
Note: Costar defines Full Service / Gross Rent as “a rental rate that includes normal building standard services which are provided and paid by the landlord.”

ECONOMIC OPPORTUNITIES STUDY

MULTIFAMILY MARKET HISTORY CITY OF PACIFICA

City multifamily inventory has declined by ~52 units over the past 10 years, with current vacancy at ~3.8% and monthly asking rents steadily increasing to \$2,777 per unit.

Year	Inventory Units	Vacant Units	Vacancy Percent	Net Absorption (Units)	Asking Rent (Unit/Mo.)	Asking Rent (SF/Mo.)
2022 YTD	1,775	67	3.8%	(2)	\$2,777	\$3.69
2021	1,775	65	3.7%	42	\$2,627	\$3.49
2020	1,775	106	6.0%	(57)	\$2,480	\$3.29
2019	1,775	49	2.8%	22	\$2,702	\$3.59
2018	1,775	71	4.0%	27	\$2,648	\$3.52
2017	1,775	98	5.5%	(26)	\$2,500	\$3.32
2016	1,795	92	5.1%	(23)	\$2,557	\$3.40
2015	1,827	100	5.5%	(30)	\$2,500	\$3.32
2014	1,827	70	3.8%	(2)	\$2,274	\$3.02
2013	1,827	69	3.8%	13	\$2,173	\$2.89
2012	1,827	82	4.5%	32	\$2,035	\$2.70



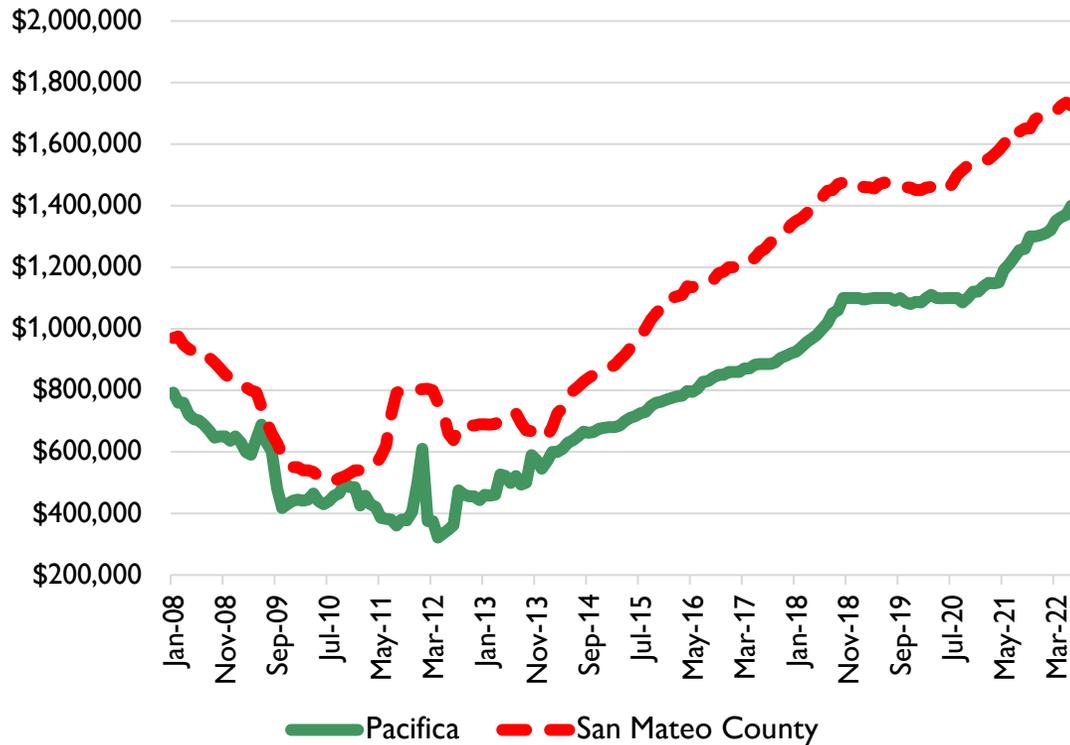
Source: CoStar (Accessed October 2022)

Note: Costar defines Asking Rent as “average monthly amount the lessor is asking for in order to lease their building/space/land.” Analytic filters exclude senior / student / military / corporation / vacation housing / co-ops / manufactured housing; limits search to buildings with 5+ units; and Market / Market Affordable rent types.

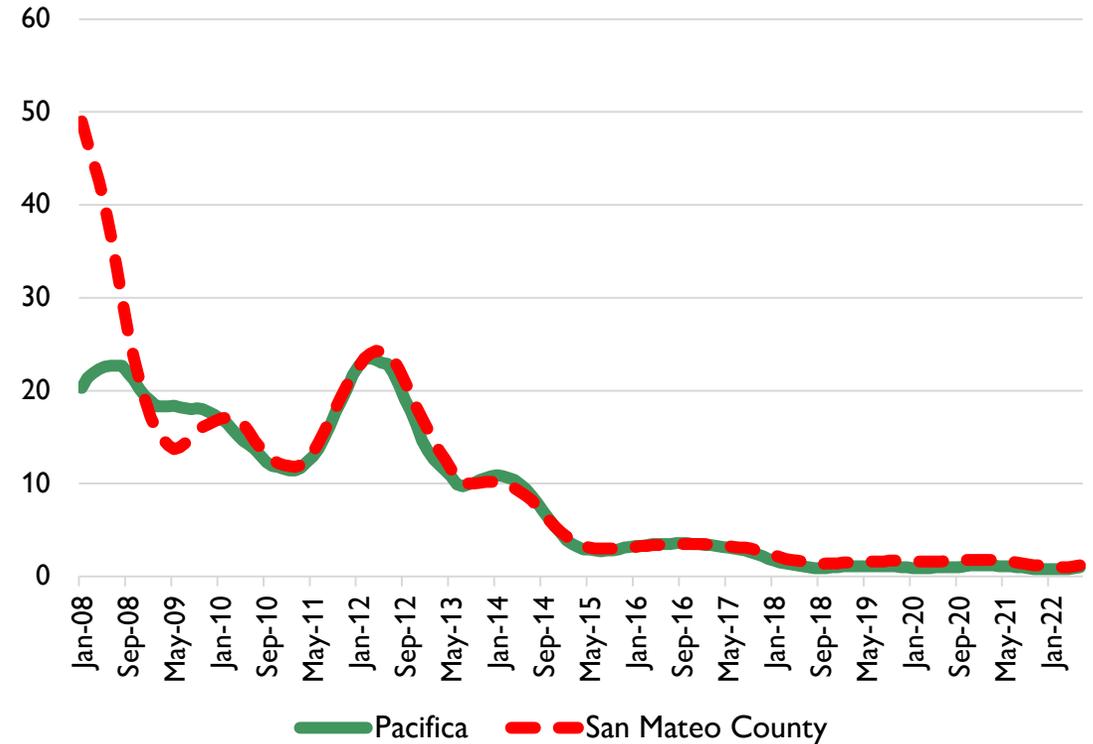
ECONOMIC OPPORTUNITIES STUDY

FOR-SALE HOUSING MARKET HISTORY CONTEXT

Median Home Sale Price Rolling 12-Month Average



Inventory - Months Supply 12-Month Rolling Average



HOSPITALITY SUMMARY

- Pacifica is within easy reach of San Francisco, and has the potential to accommodate hundreds of nightly visitors at a much lower cost than SF hotels.
- Pacifica has a limited inventory of hotel rooms within the City limits, totaling ~313 rooms (with one proposed property of 108 rooms).
- The San Francisco / San Mateo / Marin County hospitality market is home to 55,600 rooms, with 12-mo occupancy at 55% and 12-month ADR at \$215.
- The San Francisco Area* hospitality submarket (excludes City of San Francisco, airport area, and cities of San Mateo / Redwood City) has ~4,300 rooms, with 12-mo occupancy at 67% and 12-mo ADR at \$220.

Hotel	Rooms	Class	Year Built / Renovated
Fairfield Inn & Suites San Francisco Pacifica	88	Upper Midscale	2022
Pacifica Beach Hotel	52	Upper Upscale	2000
Americas Best Value Inn	25	Economy	1990
Sea Breeze Motel	20	Midscale	1953
Pacifica Lighthouse Hotel Trademark	97	Upper Midscale	2006
Pacifica Motor Inn	31	Upper Midscale	2018
PROPOSED Hampton Inn & Suites Pacifica	108	Upper Midscale	2024*
Source: CoStar, June / July 2022			

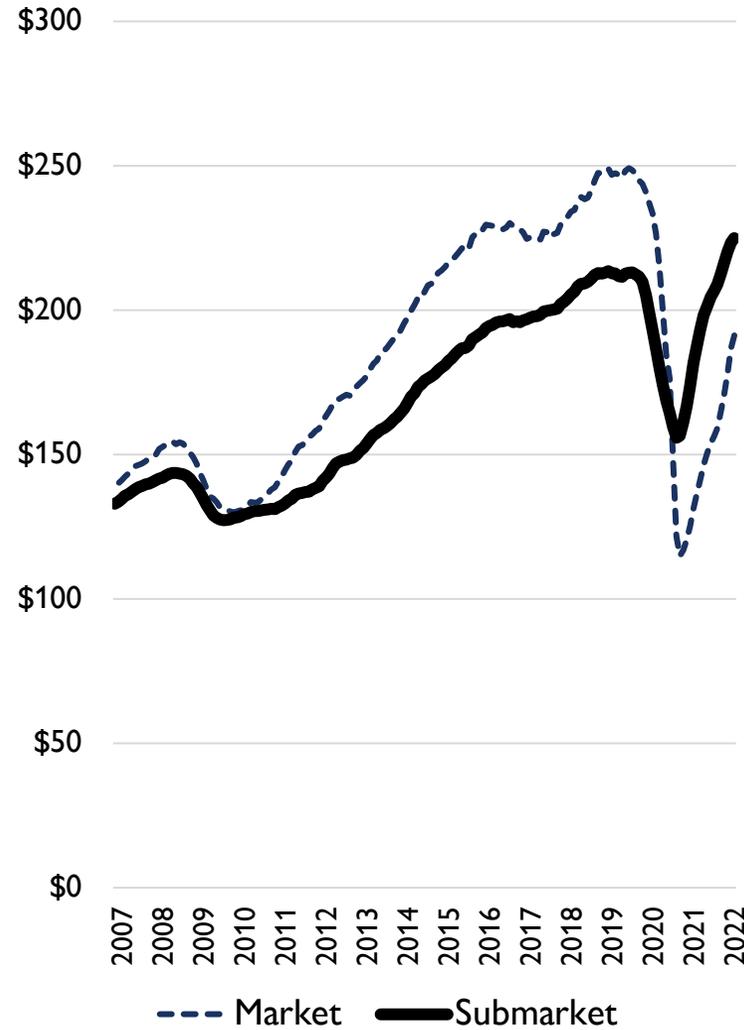
ECONOMIC OPPORTUNITIES STUDY

HOSPITALITY SUMMARY

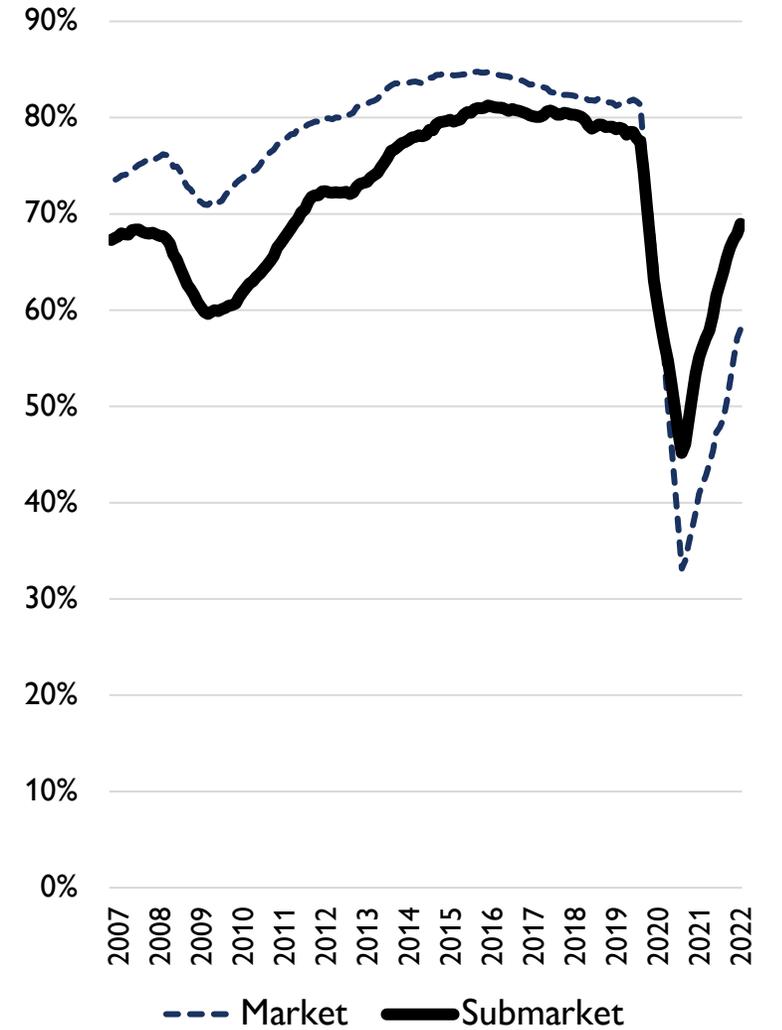
SAN FRANCISCO / SAN MATEO MARKET & SAN FRANCISCO AREA SUBMARKET (MARIN COUNTY, DALY CITY, PACIFICA, HALF MOON BAY)

Sources:
CoStar (Accessed July/August 2022)

12-Month ADR



12-Month Occupancy



ECONOMIC OPPORTUNITIES STUDY

PACIFICA AREA – HOTEL PROPERTY SUMMARY

Property Name	Property Address	City	Hotel Class	Rooms	Opened	Bldg Class	Operation Type	Mtg Space	Restaurant
Pacifica Beach Hotel	525 Crespi Dr	Pacifica	Upper Upscale	52	2003	B	Franchise	300	No
Fairfield Inn & Suites San Francisco Pacifica	500 Old County Rd	Pacifica	Upper Midscale	88	1999	C	Independent	6,750	Yes
Pacifica Lighthouse Hotel Trademark Collection by Wyndham	101-195 Rockaway Beach Ave	Pacifica	Upper Midscale	97	1981	B	Franchise		No
Pacifica Motor Inn	200 Rockaway Beach Ave	Pacifica	Upper Midscale	31	1986	C	Independent	2,000	No
Sea Breeze Motel	100-104 Rockaway Beach Ave	Pacifica	Midscale	20	1961	C	Franchise	5,000	Yes
Americas Best Value Inn San Francisco Pacifica	2160 Francisco Blvd	Pacifica	Economy	25		C	Independent		No
Ocean View Inn	8425 Cabrillo Hwy	Montara	Luxury	9		C			Yes
Seal Cove Inn	221 Cypress Ave	Moss Beach	Luxury	10		C	Independent		No
Harbor View Inn	51 Avenue Alhambra	El Granada	Upper Upscale	17	1985	C	Independent		No
Oceano Inn	380 Capistrano Rd	Princeton	Upper Midscale	11	1986	C	Independent		No
Beach House Half Moon Bay	4100 Cabrillo Hwy N	Half Moon Bay	Luxury	54	1996	B	Independent		Yes
Oceano Hotel & Spa	240 Capistrano Rd	Half Moon Bay	Luxury	95	2008	B	Franchise	1,750	No
Mill Rose Inn	615 Mill St	Half Moon Bay	Luxury	6	1982	C	Independent		No
Cypress Inn On Miramar Beach	407 Mirada Rd	Half Moon Bay	Luxury	18	2002	C	Independent	1,800	No
Ritz-Carlton Half Moon Bay	1 Miramontes Point Rd	Half Moon Bay	Luxury	261	2001	A	Independent		No
Half Moon Bay Lodge	2400 S Cabrillo Hwy	Half Moon Bay	Upper Upscale	80	1976	C	Franchise	120	Yes
Nantucket Whale Inn	779 Main St	Half Moon Bay	Upper Upscale	7	2015	C	Independent	3,600	No
Landis Shores Oceanfront Inn	207-211 Mirada Rd	Half Moon Bay	Upper Upscale	8		C	Independent	8,000	Yes
Half Moon Bay Inn	401 Main St	Half Moon Bay	Upper Upscale	15	1932	C	Independent		Yes
Zaballa House	324-328 Main St	Half Moon Bay	Upper Midscale	20	1985	C	Independent		No
The Miramar Inn & Suites	3020 Cabrillo Hwy N	Half Moon Bay	Upper Midscale	27	1991	C	Independent	160	No
Coastside Inn	230 Cabrillo Hwy S	Half Moon Bay	Upper Midscale	52	1991	B			No
BW Signature Collection Camerons Inn	1400-1410 Cabrillo Hwy S	Half Moon Bay	Upper Midscale	46	2018	C	Independent		No
San Benito House	356 Main St	Half Moon Bay	Upper Midscale	12		C	Chain Mgmt	13,000	Yes
Quality Inn Half Moon Bay	2930 Cabrillo Hwy N	Half Moon Bay	Midscale	54	1999	C	Independent		Yes

ECONOMIC OPPORTUNITIES STUDY



D. STAKEHOLDER OUTREACH / SURVEY

Pacifica Economic Opportunity Study

OUTREACH AND SURVEY OVERVIEW

Kosmont worked with the City to conduct a variety of outreach efforts to solicit feedback from community members:

Virtual Community Workshop	Online Survey	Stakeholder Outreach Meetings	Community Meeting
17+ participants in virtual community outreach meeting in August 2022	167 respondents to online survey in August – September 2022	12+ virtual / in-person meetings with targeted stakeholders	12+ participants at community meeting in November 2022



City of Pacifica - Survey for Economic Opportunity Study

The City of Pacifica has retained Kosmont Companies to prepare an Economic Opportunities make recommendations for improving the economic health of the City. Kosmont will focus on business districts in Pacifica: Pacific Manor/Fairmont, Sharp Park/Eureka Square, Rockaway Beach/Vallemar, Linda Mar/Sun Valley, and Pedro Point. This study will inform the Economic Development component of the City's Vision 2025 & Beyond Strategic Plan.

A virtual community workshop is planned for August 29 from 6:00 pm to 8:00 pm to obtain input for the study. Please save the date!

The survey on the following pages provides community members, local businesses, and other stakeholders an opportunity to provide vital feedback that will help plan for Pacifica's future.

Note: Individual responses will be kept confidential. Survey responses will be aggregated and incorporated into the Economic Opportunities Study.

1. Which of these describes you? (Select all that apply)

- Pacifica Resident
- Employee with a job in the City
- Business owner / Commercial property owner in the City
- Visitor to the City
- Investor or developer in the City
- Commutes to work outside of City

STAKEHOLDER OUTREACH

City Staff	Business Owners / Managers	Community Groups
Kevin Woodhouse Yulia Carter Christian Murdock Lisa Petersen	Olga Munoz – 7.3.1 Designs Gallery Matt Kosoy – Rosalind Bakery Pam Winston – Successories Holly Smalley – Lytt Cannabis Beth Lemke – Grape in a Fog Chrystelle Azcona - Kimco	Steven Wright – Rotary Club Amber Porter – Rotary, Tri County Bank Daisy Fong – EDC Volunteer James Crowe – Chamber, Fog Festival Archie Judan – Chamber of Commerce Judy Heldberg – Historical Society

COMMENTS FROM COMMUNITY / STAKEHOLDERS

Kosmont participated in meetings with City staff, Councilmembers, business leaders, as well as a virtual meeting with local residents to get their input on opportunities and challenges facing the City and its neighborhoods:

- City has historic “no growth” sentiment and Coastal Commission is used as mechanism to appeal projects
- Residents want many City services but don’t acknowledge need for development to help fund them
- Budget constraints have reduced City staff in building and planning department; use of contract planners/inspectors has been problematic as contractors are often too stringent/by the book
- City has charged low development impact fees
- Developers have been unsuccessful in getting approvals at Quarry site
- Residents are frustrated with lack of success from prior economic studies
- Lack of adequate commercial signage at many shopping centers (i.e., Eureka, Manor and Rockaway)
- Too many cannabis stores; residents want Trader Joe’s, but trade area population is too small

COMMUNITY / STAKEHOLDER COMMENTS (CONT'D)

- Poor marketing by City and Chamber and consider joint effort with Half Moon Bay [also consider better slogan such as “Pacific-aah”, “everything starts here”] [businesses/art venues could benefit from social media]
- Fog Festival is major success story [consider more events to bring people together such as Dog Surfing, Sam’s Castle events, golf tournament, July 4th fireworks at the pier]
- Eliminate “can’t do attitude” and replace with “how to get to yes”
- Hotel use on Quarry site may be more acceptable than residential
- City infrastructure is poor and no funding is available
- Beach Blvd. hotel site is key catalyst for creating downtown feel for Palmetto Ave.
- New library / community center important
- Create business incubator / “Shark Tank” event to encourage entrepreneurship

COMMUNITY OUTREACH VIRTUAL MEETING #1

Kosmont conducted a virtual community outreach meeting on August 29th. The following key themes were expressed:

- **Amenities:** Beaches / ocean views / hiking / culture / proximity to SF are a big asset, but need improvement to take advantage of it
- **New Uses:** City could use more restaurants / bars / entertainment; shopping centers / commercial areas need to be refreshed
- **Downtown:** Need an area that acts as a “downtown”, shopping / dining oriented toward residents and visitors, mixed use / walkable areas, more people in the City during the week (without disrupting community)
- **Drawing visitors / regional tourists:** Need to better capture the dollars of people who are coming to Pacifica – need more restaurants, bars, shops, events, entertainment; leveraging coastal areas for big revenue drivers (hotel, restaurants, bars)
- **Transportation:** More transit options needed; traffic, congestion, and circulation challenges
- **Infrastructure:** Some concerns about infrastructure supporting existing / new uses
- **Business Challenges:** Some existing businesses face City permitting challenges; most activity on weekends, hard to sustain a business
- **Events:** Fog Fest is a big attraction, more events can serve residents as well as draw visitors

COMMUNITY OUTREACH MEETING #2

Kosmont conducted a community outreach meeting on November 15th. The following key themes were expressed:

- **Beautification:** Need better signage, lighting, tree planting, façade beautification, other activations
- **Improving Main Street Quality:** Palmetto area could use more engaging retail / restaurants in the area – unique walkable mix of local businesses, also needs a “bigger draw”; many Palmetto businesses close early, could use zoning to encourage businesses to stay open later
- **Coastal Opportunities:** Coastal areas have good opportunity for boutique hotel, hotel revitalization, restaurants, open space, and related projects
- **Need for Balance:** Balance new development targeting visitors and residents, but strive to keep “small town feel”
- **Wayfinding / Signage:** Need to help businesses with better signage, lack of freeway signage to identify business districts
- **Events:** Events should be used to increase activity, such as food trucks, markets; Chamber seems to have limited capacity to organize
- **Environmental / Infrastructure Concerns:** Some expressed concern about sea level rise and other environmental challenges, as well as the cost of infrastructure / impact of construction feasibility
- **Transportation:** Electric charging stations could be a good amenity for shopping areas; poor transit to SF and beyond

SURVEY RESULTS OVERVIEW

- The online survey conducted between August and September 2022 provided vital feedback that will help plan for Pacifica's future. 167 surveys were submitted, with ~96% of responses coming from Pacifica residents. 53% of respondents have lived in Pacifica for over 20 years, and 63% of respondents were at least 55 years old.
- Results show that respondents are open to a wide variety of new businesses / developments in the City's business districts, and highly value restaurant / dining options, leisure / entertainment venues, and places to gather. Respondents also highly value improvements to mobility / walkability / bike-ability / transit, safety improvements, and traffic flow.
- Many responses emphasized the importance of better utilizing Pacifica's unique character and coastal amenities to create vibrant, walkable, engaging commercial areas that can better serve Pacifica's residents and attract visitors.

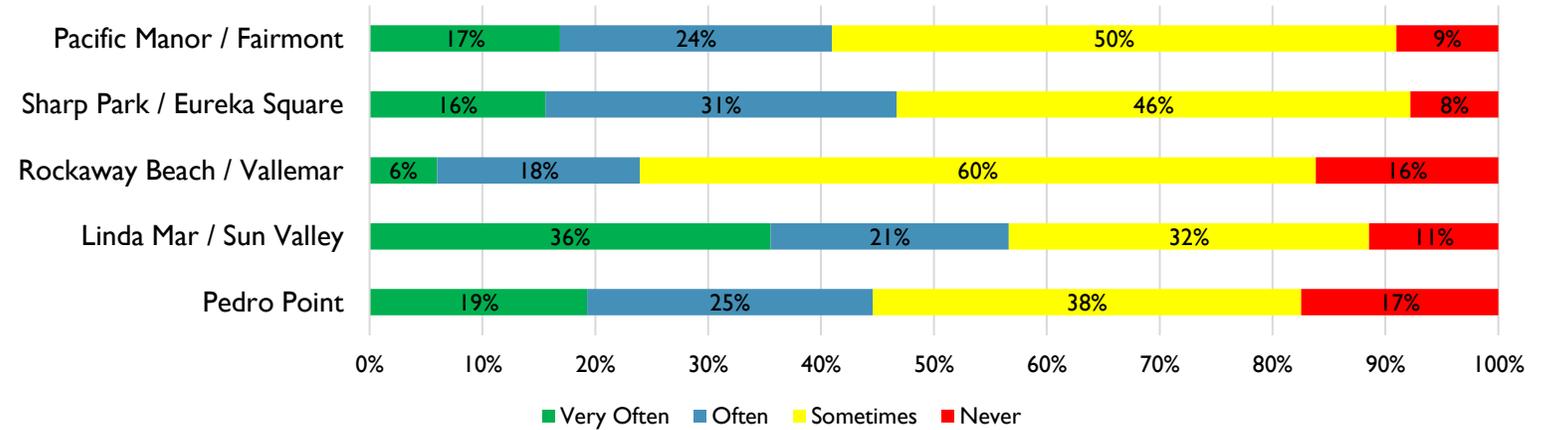
ECONOMIC OPPORTUNITIES STUDY

SURVEY RESULTS CURRENT CONDITIONS

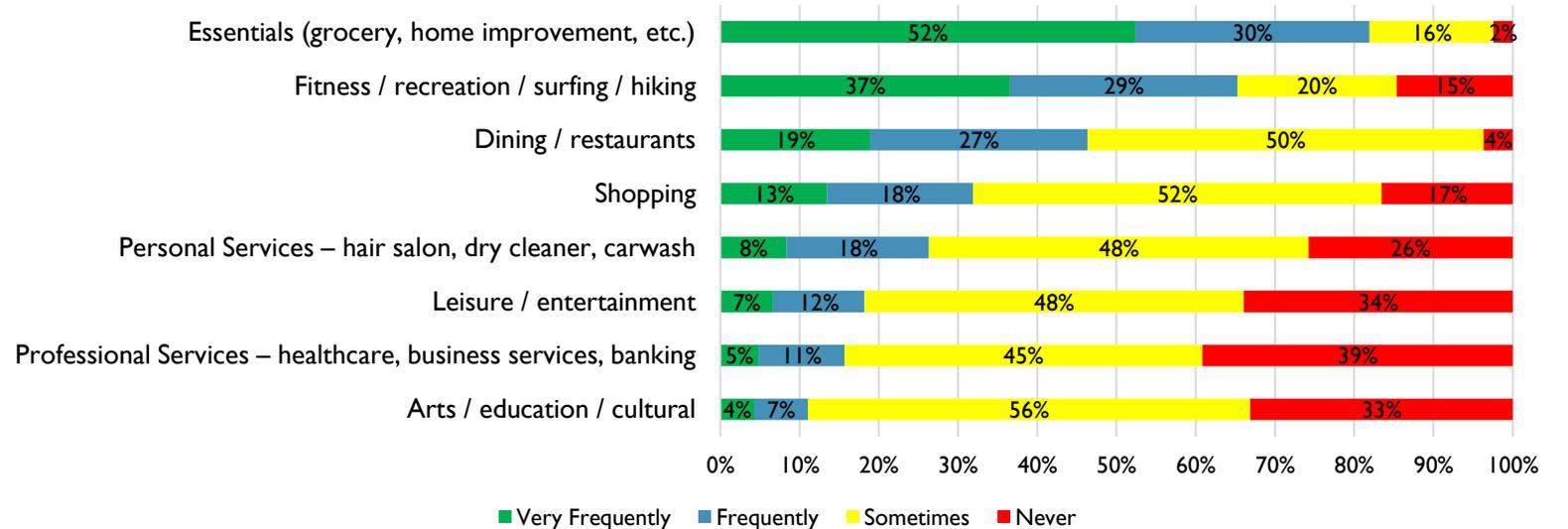
Survey responses show that the Linda Mar / Sun Valley and Sharp Park / Eureka Square business districts were the most frequently visited areas, while the Rockaway Beach / Vallemar business district was the least frequently visited.

Survey respondents were most likely to frequently visit the Pacifica business districts to shop for essentials, for fitness / recreation / surfing / hiking, and for dining / restaurants. Respondents were least likely to frequently visit the City's business districts for arts / education / cultural, leisure / entertainment, personal services, and professional services.

How Often Do You Visit The Following Business Districts?



Do You Visit Pacifica Business Districts for the following purposes?



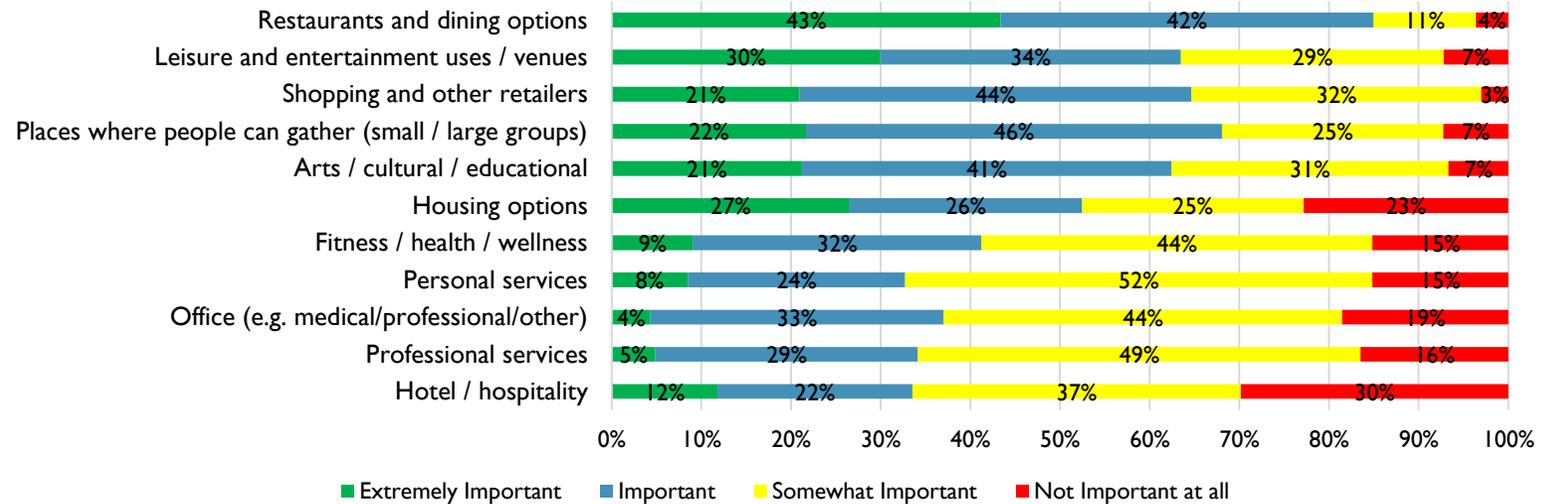
ECONOMIC OPPORTUNITIES STUDY

SURVEY RESULTS NEW DEVELOPMENT, IMPROVEMENTS, AND AMENITIES

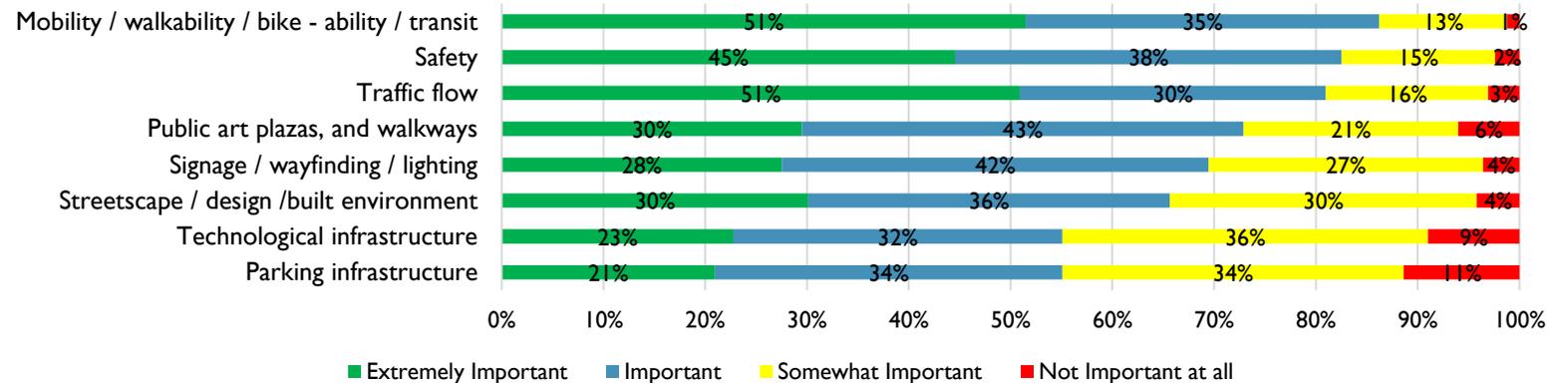
Respondents tend to value adding new restaurant / dining options, leisure / entertainment venues, and places where people can gather to the business districts. Adding housing was important to over 50% of respondents.

Respondents also highly value improving mobility / walkability / bike-ability / transit, safety improvements, and traffic flow.

What type of new additional businesses / developments would you like to see in the business districts?



Which improvements/amenities should the City focus on in the business districts?



ECONOMIC OPPORTUNITIES STUDY

SURVEY RESULTS

Survey results varied by the type of respondent, offering insights into younger residents, recent residents, and business owners / commercial property owners.

Younger Residents

More likely to rank as “Very Important” or “Important”...	Less likely to rank as “Very Important” or “Important”...
<ul style="list-style-type: none"> • Restaurants and dining options • Leisure and Entertainment uses /venues • Fitness / health / wellness • Mobility / walkability / bike-ability / transit • Public art, plazas, and walkways 	<ul style="list-style-type: none"> • Parking Infrastructure • Traffic Flow

Recent Residents

More likely to rank as “Very Important” or “Important”...	Less likely to rank as “Very Important” or “Important”...
<ul style="list-style-type: none"> • Restaurants and dining options • Fitness / health / wellness • Places where people can gather • Streetscape / design / built environment • Public art, plazas, and walkways • Mobility / Walkability / bike-ability / transit • Technological infrastructure 	<ul style="list-style-type: none"> • Housing options • Office • Professional services • Traffic Flow • Parking Infrastructure • Safety

Business Owners / Commercial Property Owners / Investors / Developers

More likely to rank as “Very Important” or “Important”...	Less likely to rank as “Very Important” or “Important”...
<ul style="list-style-type: none"> • All new development types • Streetscape / design / built environment • Public art, plazas, and walkways • Signage / wayfinding / lighting • Technological infrastructure • Mobility / Walkability / bike-ability / transit 	<ul style="list-style-type: none"> • Traffic flow

KEY THEMES FROM SURVEY RESPONSES

<p><i>Which retail stores do you visit that are not available in the City of Pacifica?</i></p>	<p><i>What other business districts do you like to visit in other cities, and what makes them desirable?</i></p>	<p><i>What are the most important priorities & opportunities the City should focus on to improve / revitalize Pacifica business districts?</i></p>
<p>Big Box: Target, Costco, Home Depot</p> <p>Essentials: Trader Joe's, Whole Foods, Sprouts, Lunardi's, Mollie Stones</p> <p>Restaurants, high-end dining, pet stores, coffee shops, bars, personal services, medical services, entertainment</p>	<p>Burlingame, San Mateo, Half Moon Bay, Millbrae, Serramonte, Redwood City, San Francisco, Palo Alto, San Carlos</p> <p>Key words: variety, downtown, walkable, bike connectivity, outdoor dining, interesting, pleasant, ambiance, hang-out vibe, personality</p>	<p>Adding a variety of unique restaurants / shops / hotels; events, activities, entertainment</p> <p>More public spaces, walkability & bike-ability</p> <p>Managing traffic and parking</p> <p>Build off natural beauty, beaches</p> <p>Need attractive area - improve cleanliness, signage, facades</p> <p>Streamline permitting process</p>

QUOTES FROM SURVEY RESPONSES

We should focus on smart growth and improving quality of life

Play up the uniqueness of each area of Pacifica

Beautification of buildings and streetscapes, adding trees and places to sit, play and have community activities outdoors

Outdoor dining has been a good addition - More of That!

Activities - music/entertainment for public outdoor

Focus on Pacifica's natural beauty and potential for engagement in outdoor activities

WALKABLE, WALKABLE, WALKABLE - easy access for visitors to stroll, eat, enjoy the natural views and scenery

Congruent design with the beach cottage theme to tie Rockaway in with the rest of Pacifica. Trees! Trees!

Small, Coastal Town Feel

Revitalize signs and paint

Improve the safety and beautification of the pier

DISCLAIMER

The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project analyses are projections only. Actual results may differ from those expressed in this analysis, as results are difficult to predict as a function of market conditions, natural disasters, pandemics, significant economic impacts, legislation and administrative actions.