

Public Comments

Agenda Item 7

Written Comments Received By 12pm on 2/28/2022



February 28, 2022
City Council Meeting

From: Joseph Smith <[REDACTED]>
Sent: Monday, February 28, 2022 12:00 PM
To: Public Comment
Cc: Murdock, Christian
Subject: Item 7 Public Comment (SB 9)
Attachments: Item 7 Public Comment (2.28.22 Council).pdf

[CAUTION: External Email]

Good afternoon, please include the attached comment for Item 7 (SB 9 Resolution).

Thanks,
Joseph



Joseph D. Smith, AICP
Principal, California Coastal Works

 [REDACTED] |  californiacoastalworks.com

 [REDACTED]

 1330 Camino Del Mar, Del Mar, CA 92014

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February 28, 2022

Mayor Bier and Members of the Council
City of Pacifica
640 Crespi Drive
Pacifica, CA 94044

Re: Item #7 February 28, 2022 City Council Meeting
Request to Remove the Garage Requirement for Senate Bill (SB) 9 Projects

Dear Mayor and Council,

This evening you are asked to adopt a resolution regarding SB 9. I request you adopt the resolution with one exception:

**Delete the garage parking requirement for the one-required parking space -or-
revise so that one 200 sqft garage per SB 9 unit is exempt from Floor Area (FAR).**

Reference: see the fourth bullet point on page 3 of the staff report (packet pg 142)

While it is consistent with statute to require one parking space per SB 9 unit, it is inconsistent to require that space be located within a garage. The reasoning follows:

A local agency may impose objective standards; however, an agency may not impose standards in conflict with the statute. The statute requires an agency must not physically preclude at least 800 sqft of FAR for each SB 9 unit. There will likely be situations where a property has already met its maximum FAR, say in the case of an existing residence. Nonetheless, the statute allows a second home be added ("SB 9 unit") of at least 800 sqft, regardless of FAR remaining (considered exempt FAR). However, if the City also requires a garage be provided, this would result in additional FAR to a site of approximately 200 sqft (one-car garage). As written, it does not appear that the City would also exempt the garage FAR. As a result, there will likely be instances where the City's local requirement for a garage will physically preclude the development of an SB 9 unit and thus, in conflict with statute.

For this reason, many jurisdictions have required one **uncovered** parking space be provided for each SB 9 unit consistent with statute.

Sincerely,

Joseph D. Smith, AICP
Principal

cc: Christian Murdock, AICP, Deputy Director

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Public Comments

Agenda Item 8

Written Comments Received By 12pm on 2/28/2022



February 28, 2022
City Council Meeting

From: Coffey, Sarah
Sent: Monday, February 28, 2022 9:39 AM
To: Public Comment
Subject: FW: Agenda Item #8- Flavored Tobacco & E-Cigarette Device Ban
Attachments: Pacifica Agenda Item 8 .pdf; Economic Impact of the Ban on Menthol Cigarettes in LA deux (003).pdf; CFCA Economic Impact of the Ban on Flavored Tobacco Products in San Francisco - Report.pdf

From: Ari Berlfein [REDACTED]
Sent: Monday, February 28, 2022 9:38 AM
To: Coffey, Sarah <scoffey@pacificacity.gov>
Subject: Agenda Item #8- Flavored Tobacco & E-Cigarette Device Ban

[CAUTION: External Email]

Good Morning City Clerk Coffey,

My name is Ari Berlfein, I'm the Policy Analyst for The California Fuel & Convenience Alliance. Attached below is our letter regarding Agenda Item #8 of the February 28th, 2022 Pacifica City Council meeting. Also attached are some studies referenced in the letter. Please feel free reach to reach out if you have any questions.

Best,

Ari Berlfein

Policy Analyst

2520 Venture Oaks Way, Suite 100 | Sacramento, CA 95833

Main: (916) 646-5999 | Fax: (916) 646-5985 | www.cfca.energy



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California Fuels and Convenience Alliance

2520 Venture Oaks Way, Suite 100

Sacramento, CA 95833

916.646.5999

**Pacifica City Council
540 Crespi Drive
Pacifica, CA 94044**

**Re: Agenda Item #8- Flavored Tobacco & E-Cigarette Device Ban
To: Mayor Mary Bier
Mayor Pro Tem Tygarjas Bigstyc
Councilmember Mike O'Neill
Councilmember Sue Vaterlaus
Councilmember Sue Beckmeyer**

The California Fuels and Convenience Alliance (CFCA) represents about 300 members, including nearly 90% of all the independent petroleum marketers in the state and more than one half of the state's 12,000 convenience retailers. Our members are small, family- and minority-owned businesses that provide services to nearly every family in California. Additionally, CFCA members fuel local governments, law enforcement, city and county fire departments, ambulances/emergency vehicles, school district bus fleets, construction firms, marinas, public and private transit companies, hospital emergency generators, trucking fleets, independent fuel retailers (small chains and mom-and-pop gas stations) and California agriculture, among many others. CFCA appreciates the opportunity to provide comment on this proposed ordinance.

The retailers represented by CFCA are mostly small, family, and/or immigrant owned businesses that would be heavily impacted by regulations on legally sold and manufactured tobacco products. They have been heavily involved in keeping age restricted products out of the hands of youth, including the change to California's age of sale from 18 to 21 years of age. Not only does our industry comply with federal and rapidly changing state and local laws, but they also conduct internal sting operations and build their own successful prevention policies, such as the WeCard Program. The ability to sell age restricted products, including tobacco, is part of the financial stability of these community convenience stores.

The California Fuels and Convenience Alliance strongly opposes the proposed ordinance banning flavored tobacco and e-cigarette products. FDA regulations approve of the lawful sale of menthol tobacco products by convenience stores to sell age restricted products.

Identification Requirement and Online Sales

Convenience stores and other brick-and-mortar locations are perfectly situated to adhere to federal, state, and local laws by checking a physical identification card and following the guidelines created and followed by the industry, such as the WeCard program. WeCard is a non-profit organization that provides training and materials such as age-of-purchase calendars that make it simple for an employee to ensure the purchaser is of legal age. They also have an e-cigarette specific webpage and materials.¹ WeCard ensures the correct materials and standards are being used in those locations and provides an invaluable service to small businesses that sell age restricted products.

Although our members have continued to comply with these laws, little has been done to crack down on "fly by night" online storefronts and the increase in social sources. Social media has become a common link between these online stores and youth, either run by someone who will illegally ship products or other youths selling directly to classmates.

We encourage the City Council to consider mandating ID checks for all sales of age restricted products, instead of banning an entire product category.

¹ <http://www.wecard.org/e-cig-and-vapor-central>

Economic Impact

Many proponents of tobacco control measures, claim that their proposals would not negatively affect tobacco retailer's revenue. Not only do these groups have no data to support these claims, but available data from other cities that enacted similar proposals show losses in sales revenue, wages, and local tax revenue. For example, Proposition E in San Francisco led to an annual direct loss of \$17.6 million in sales, \$2.2 million in wages, and \$2.06 million in local tax revenue. The proposition also resulted in the loss of approximately 81 jobs in the city from 2019-2020, a number that has likely grown due to the COVID-19 pandemic.

Conclusion

CFCA urges the Pacifica City Council to examine the methods by which youth are obtaining these age restricted products, including cigarettes and vapes or ENDS. We encourage the City to work with the California Department of Public Health, the FDA, and others to do the necessary research in order to effectively limit youth access to tobacco while acknowledging the hard work by convenience stores and others to achieve the same goal. The fuels and convenience industry is willing to do its part to prevent youth access to age-restricted products, especially to find a manner to do it without the harm and negative impacts that ordinances such as this will bring onto small, family- and minority-owned businesses.

Please contact Ari Berlfein, CFCA's Policy Analyst, by email or phone with any questions or comments. [REDACTED]
and [REDACTED]

Economic Impact of the Ban on Menthol Cigarettes in Los Angeles

**Prepared for the
California Fuels & Convenience Alliance**



By

**John Dunham & Associates
New York**

June 24, 2020

Economic Impact of the Ban on Menthol Cigarettes in Los Angeles

Executive Summary

The City of Los Angeles already has one of the worst retail environments for cigarettes and other tobacco products in the country. The per pack tax on cigarettes is already \$5.30 (including MSA payments) which is about 44.9 percent of the current average estimated retail price of \$11.80.¹ (Table 1) While not the highest in the nation, cigarette taxes in California are 88 percent above the average, and the taxable sales per adult are just one-quarter of the nationwide average.²

While the unincorporated areas of Los Angeles County have banned the sale of menthol cigarettes, such a ban in the much more populous city of Los Angeles will have dramatic economic consequences, particularly as businesses try to recover from the devastation surrounding the government-imposed economic shutdown in response to the COVID-19 virus.

The impact of this regulation is of particular interest to the convenience store industry. Due to their already thin margins, convenience stores and gas stations are particularly harmed by this ban, as many rely on tobacco sales to maintain their profitability.³ In addition, these stores are disproportionately harmed as many adult consumers who may make purchases in addition to tobacco, chose to do so outside of Los Angeles, where they can purchase their preferred tobacco products.

Overall, the direct loss to the economy of Los Angeles as a result of the ban would be almost \$96.6 million in sales, and \$4.6 million in local cigarette tax revenue annually. Convenience stores alone would lose approximately 254 jobs in the city as a result of the ban.

In addition to this, based on a model of tobacco demand, and the 2019 impact analysis of the menthol segment, over half (866) of the roughly 1,605 people in the city whose livelihoods depend on the production, distribution and sale of menthol cigarettes would see their jobs disappear, along with \$50.8 million in local wages. The economic loss to Los Angeles would be over \$137.4 million. (Table 3)

One the tax losses from the reduced economic activity are accounted for, Los Angeles would experience a reduction of nearly \$7.6 million in tax and fee revenues as a result of this proposed ban.

Results:

The County of Los Angeles recently banned the sale of menthol cigarettes in its unincorporated areas. Since the ban only applied to sparsely populated rural parts of the county, the effects were not substantial. However, were the city of Los Angeles to follow suit and ban menthol cigarettes, a product that has roughly 40 percent of the market share, the economic effects could be substantial.

Los Angeles already has one of the worst retail environments for cigarettes and other tobacco products in the country. The per pack tax on cigarettes is already \$5.30 (including MSA payments) which is about

¹ Based on data from the Economic Impact of Menthol Cigarettes: 2019, Prepared by John Dunham & Associates, for Reynolds American Inc.

² Nationwide sales based on *The Tax Burden on Tobacco* Volume 54, Orzechowski and Walker, 2019. Adult population (21+) from the US Department of Commerce, Bureau of the Census, American Community Survey.

	Packs	Adult Population (21+)	Packs Per Adult
United States	11,111,479,311	240,352,655	46.23
Los Angeles	35,714,273	3,022,096	11.82

³ See for example: Gleeson Patrick and Jayne Thompson, *What Is the Average Gross Revenue of a Convenience Store?* [Houston Cornicle](https://smallbusiness.chron.com/average-gross-revenue-convenience-store-35712.html), online updated on April 2, 2019, at: <https://smallbusiness.chron.com/average-gross-revenue-convenience-store-35712.html>

44.9 percent of the current average estimated retail price of \$11.80.⁴ (Table 1) While not the highest in the nation, cigarette taxes in California are 88 percent above the average, and the taxable sales per adult are just one-quarter of the nationwide average.⁵

**Table 1
Cigarette Taxes and Fees in Los Angeles**

Levy	Amount Per Pack
Federal Excise Tax	\$1.01
CA Excise Tax	\$2.87
Total Tax	\$3.88
Master Settlement Agreement	\$1.42
Total	\$5.30

Were Los Angeles to ban the sale of menthol cigarettes, not only would local retailers and distributors be hurt, it would further exasperate the problem of smuggled cigarettes and cross border sales. In addition, Los Angeles would lose upwards of \$4.6 million in cigarette tax revenues. Table 2 below shows the estimated tax revenue change for Los Angeles were the ban to go into effect.

**Table 2
Sales and Excise Tax Impact of A Menthol Cigarette Ban in Los Angeles**

	Before	After	Change
LA Sales Tax	\$9,481,355	\$7,308,487	(\$2,172,868)
LA MSA Allocation	\$10,615,000	\$8,182,331	(\$2,432,669)
Total Cigarette Tax	\$20,096,355	\$15,490,818	(\$4,605,537)

The economic impact would be far larger. Today, roughly 1,600 people in Los Angeles rely on the production, distribution and sale of menthol cigarettes for their livelihood.⁶ Were the ban to go into effect, about 866 of these people (or 54.0 percent) would see their jobs disappear, along with \$50.8 million in local wages. The economic loss to Los Angeles would be over \$137.4 million. (Table 3 on the following page.)

These lost jobs and wages will also lead to tax revenue reductions. When stores close, or people lose their jobs, they also reduce tax revenues that Los Angeles collects from property, income, and sales taxes, fees, and other sources. It is estimated that the economic losses in the city will result in \$5.4 million in revenue reductions, of which 98.6 percent will come from reduced business taxes and fees. Table 4 outlines these losses by revenue type.

⁴ Based on data from the Economic Impact of Menthol Cigarettes: 2019, Prepared by John Dunham & Associates, for Reynolds American Inc.

⁵ Nationwide sales based on *The Tax Burden on Tobacco* Volume 54, Orzechowski and Walker, 2019. Adult population (21+) from the US Department of Commerce, Bureau of the Census, American Community Survey.

	Packs	Adult Population (21+)	Packs Per Adult
United States	11,111,479,311	240,352,655	46.23
Los Angeles	35,714,273	3,022,096	11.82

⁶ Based on data from *The Menthol Industry Economic Impact Study*, Prepared for Reynolds American, Inc., by John Dunham & Associates, May 1, 2019

Table 3
Economic Impact of A Menthol Cigarette Ban in Los Angeles

	Jobs	Wages	Economic Output
Direct	(518)	\$ (28,996,500)	\$ (71,434,222)
Manufacturing	-	\$ -	\$ -
Wholesaling	(156)	\$ (13,054,965)	\$ (39,140,489)
Retailing	(363)	\$ (15,941,534)	\$ (32,293,733)
Supplier	(139)	\$ (10,125,979)	\$ (31,861,746)
Induced	(209)	\$ (11,676,755)	\$ (34,109,931)
Total	(866)	\$ (50,799,233)	\$ (137,405,898)

Overall, a ban on the sale of menthol cigarettes in Los Angeles, will result in a reduction of over \$7.6 million in tax and fee revenues.⁷ (Table 4)

Table 4
Business and Personal Tax Revenues Lost Due to A Menthol Cigarette Ban in Los Angeles

	Personal	Business	Total
Property Taxes	\$ 19,924	\$ 5,156,335	\$ 5,176,259
Income Taxes	\$ -	\$ 11,711	\$ 11,711
Sales Taxes	\$ -	\$ 96,876	\$ 96,876
Other Taxes	\$ 27,190	\$ 80,744	\$ 107,934
Fines/Fees/Licenses	\$ 30,849	\$ 19,932	\$ 50,781
Total	\$ 77,963	\$ 5,365,597	\$ 5,443,560

The estimates in the model are robust. A similar ban was enacted in San Francisco in 2018 on all flavored tobacco products, including menthol cigarettes, flavored cigars, and vapor products. A year after this ban went into effect, tobacco sales in that city fell by 28.3 percent, an even higher loss than the 22.9 percent estimated reduction in this analysis.⁸

Table 5
Total Revenues Lost Due to A Menthol Cigarette Ban in Los Angeles

Revenue Type	Revenue Loss
LA Cigarette Sales Tax	\$ (2,172,868)
Personal Taxes	\$ (77,963)
Business Taxes	\$ (5,365,597)
Total	\$ (7,616,428)

The results from San Francisco showed a slight increase in unflavored cigarette sales following the ban of flavored tobacco, but only offsetting lost menthol sales by approximately 1.6 percent. Applying this to Los Angeles by adding together the 14.1 million lost sales of menthol cigarettes and the offsetting sales as some consumers switched to unflavored cigarettes, leads to a change in overall cigarette sales of \$109 million. Using breaks established by the San Francisco study, the market was segmented into convenience

⁷ Based on *Revenue Outlook: Supplement to the 2020-21 Proposed Budget*, City of Los Angeles, Administrative Officer, April 2020, at: http://cao.lacity.org/budget20-21/2020-21Revenue_Outlook.pdf and *2020-21 Governor's Budget, Schedule 8, Comparative Statement Of Revenue* at: http://www.ebudget.ca.gov/2020-21/pdf/BudgetSummary/BS_SCH8.pdf

⁸ *Economic Impact of the Ban on Flavored Tobacco Products in San Francisco*, Prepared for the California Fuels & Convenience Alliance by John Dunham & Associates, New York, January 9, 2020

stores, gas stations with convenience stores, and other retail outlets. These results are shown in Table 6 on the following page.

The San Francisco study also demonstrated that a loss of a million dollars in retail sales translated to approximately 2.4 jobs lost in the convenience store sector and 1.8 jobs in the gas station sector, with no statistically observable impact on other retailers of tobacco products. The net impact on employment was calculated by multiplying those sales changes by those numbers, arriving at a total of 466 jobs lost in Los Angeles. This compares with the 363 lost retail jobs presented in Table 3.

Table 6
Estimated Impact of Menthol Cigarette Ban on Retail Sales, Jobs, and Wages Based on San Francisco

	Sales	Jobs	Wages
Los Angeles	-\$109,187,000	(466)	-\$11,993,000
Convenience Stores	-\$34,888,000	(265)	-\$6,353,000
Gas Stations	-\$26,545,000	(201)	-\$5,640,000
Other	-\$47,753,000	*	*

Methodology

This analysis is based on the Menthol Industry Economic Impact Study for 2019. This model incorporates a geographic distribution model that allocates all menthol cigarette production, distribution and retailing jobs across the country based on either individual facility geographic coordinates, or facility zip code.⁹

Overall, a total of 14,940 jobs in California depend on the sale of menthol cigarettes. Of these, 1,605, or 10.7 percent are located in Los Angeles.

This economic impact analysis was developed by JDA based on data provided by Reynolds American Inc. (RAI), Infogroup, The Tax Burden on Tobacco 2018, the Food and Drug Administration, Centers for Disease Control and Prevention (CDC), and Federal and state governments. The analysis utilizes the IMPLAN model in order to quantify the economic impact of the menthol cigarette industry on the economy of the United States, as well as individual states, congressional districts, and state legislative districts.¹⁰ The model adopts an accounting framework through which the relationships between different inputs and outputs across industries and sectors are computed. It is based on the national income accounts generated by the US Department of Commerce, Bureau of Economic Analysis (BEA).¹¹

The menthol share of sales in California is 28.2 percent of total cigarette sales, based on data provided by RAI. LA’s share of menthol sales is 39.5 percent.

Every economic impact analysis begins with a description of the industry being examined. In the case of the menthol industry it is defined as the three components of the United States’ menthol cigarette industry. This will incorporate firms in the following economic sectors:

⁹ Based on data from *The Menthol Industry Economic Impact Study*, Prepared for Reynolds American, Inc., by John Dunham & Associates, May 1, 2019

¹⁰ The model uses 2016 input/output accounts.

¹¹ The IMPLAN model is based on a series of national input-output accounts known as RIMS II. These data are developed and maintained by the U.S. Department of Commerce, Bureau of Economic Analysis as a policy and economic decision analysis tool.

- ❖ Manufacturers: Menthol cigarette manufacturing plants, warehouses, offices.
- ❖ Wholesalers: Includes firms involved in the distribution and storage of menthol cigarettes.
- ❖ Retailers: Includes firms involved in the sale of menthol cigarettes. This sector includes retail establishments (e.g. grocery stores, convenience stores, gas stations, menthol stores, etc.)

The IMPLAN model is designed to run based on the input of specific direct economic factors. It generates estimates of the other direct impacts, tax impacts and indirect and induced impacts based on these entries. In the case of the menthol model, direct employment in the menthol cigarette industry is a starting point for the analysis. Direct employment is based on data provided to John Dunham & Associates by Infogroup, RAI, and the Food and Drug Administration as of January 2017. Infogroup data are recognized nationally as a premier source of micro industry data. Infogroup is the leading provider of business and consumer data for the top search engines and leading in-car navigation systems in North America. Infogroup gathers data from a variety of sources, by sourcing, refining, matching, appending, filtering, and delivering the best quality data. Infogroup verifies its data at the rate of almost 100,000 phone calls per day to ensure absolute accuracy.

Once the initial direct employment figures have been established, they are entered into a model linked to the IMPLAN database. The IMPLAN data are used to generate estimates of direct wages and output. Wages are derived from data from the U.S. Department of Labor's ES-202 reports that are used by IMPLAN to provide annual average wage and salary establishment counts, employment counts and payrolls at the county level. Since this data only covers payroll employees, it is modified to add information on independent workers, agricultural employees, construction workers, and certain government employees. Data are then adjusted to account for counties where non-disclosure rules apply. Wage data include not only cash wages, but health and life insurance payments, retirement payments and other non-cash compensation. It includes all income paid to workers and proprietors/partners by employers.

Total output is the value of production by industry in a given state. It is estimated by IMPLAN from sources similar to those used by the BEA in its RIMS II series. Where no Census or government surveys are available, IMPLAN uses models such as the Bureau of Labor Statistics' growth model to estimate the missing output.

The model also includes information on income received by the Federal, state and local governments, and produces estimates for the following taxes at the Federal level: Corporate income, payroll, personal income, estate and gift, excise taxes, customs duties, and fines, fees, etc. State and local tax revenues include estimates of: Corporate profits, property, sales, severance, estate and gift and personal income taxes; licenses and fees and certain payroll taxes.

While IMPLAN is used to calculate the state level impacts, Infogroup data provide the basis for Los Angeles level estimates. Publicly available data at the county and local level is limited by disclosure restrictions, especially for smaller sectors of the economy. This model therefore uses actual physical location data provided by Infogroup in order to allocate jobs – and the resulting economic activity – by physical address or when that is not available, zip code. For zip codes contained in a single congressional district, jobs are allocated based on the total sector jobs in each zip. For zip codes that are broken by congressional districts, allocations are based on the percentage of total jobs physically located in each segment of the zip. Physical locations are based on either actual address of the facility, or the zip code of the facility, with facilities placed randomly throughout the zip code area.

Demand Model

Once the base economic impact of the menthol cigarette industry is developed, the effects of the proposed ban are calculated using a standard demand model. When Los Angeles bans the sale of menthol cigarettes, adults who prefer these products will react in one of four ways. They could:

- 1) Stop smoking cigarettes or switch to another tobacco product;
- 2) Switch from smoking menthol cigarettes to tobacco flavored cigarettes;
- 3) Continue to smoke menthol cigarettes but purchase them from other parts of California;
- 4) Continue to smoke menthol cigarettes but purchase them from other states and jurisdictions, or over the black market.

In the case of this analysis, two of these factors matter. Since no menthol cigarettes will be legally sold in Los Angeles, the fact that consumers are switching to the black market or purchase their tobacco products outside of the city does not impact either the revenue or economic impact projections. The bottom line is that 100 percent of the taxable menthol cigarette sales will disappear.

If adult smokers decide to continue to smoke menthol cigarettes and purchase them in California, there will be a small countervailing benefit to the rest of the state's economy, which is calculated in this analysis.

Finally, adult smokers could switch to non-menthol cigarettes, and this would mitigate the lost sales in Los Angeles.

In order to calculate the effect of the ban on cigarette sales in Los Angeles, it is essential to know how consumers would react – both in terms of the percent of purchases outside of the city but in California, but also in terms of what percent would switch to other cigarette products. These percentages are called elasticities by economists. Cigarette elasticities have been studied in depth, but most academic research has focused on the effects of taxes on demand, or on the substitution effects of vapor products.

One comprehensive study on the menthol cigarette market was conducted by Compass Lexecon for Lorillard Tobacco Company in 2011.¹² This study provides a series of estimates on all the different elasticities required for this model.

According to the Compass Lexecon analysis, the cross-elasticity of demand between menthol and non-menthol cigarettes ranges from 0.28 to 0.42. This means that a 100 percent reduction in the sale of menthol cigarettes (as would happen under the proposed ban) would lead to an increase of non-menthol cigarettes equal to between 28 and 42 percent of the initial menthol product demand. For this analysis of the proposed ban the most conservative estimate – 0.42 – was used, meaning that the analysis assumes the least impact to the Los Angeles economy from the proposed ban.

In addition, the Compass Lexecon report provided a series of additional elasticities related to quitting and black-market sales. Since any non-reported sale of cigarettes to a consumer in Los Angeles from any other source would technically be a black-market sale under the methodology used in the analysis, then the difference between 1.0 and the sum of the switching, quitting would equal the and black-market elasticity. Some of these sales would go to California retailers. Currently, according to the Tax

¹² *Estimating Consequences of a Ban on the Legal Sale of Menthol Cigarettes*, prepared by Compass Lexecon for Lorillard Tobacco Company, January 19, 2011. On-line at: https://www.thecre.com/ccsf/wp-content/uploads/2011/03/compass_1_19_2011.pdf According to its website, Compass Lexecon is *one of the world's leading economic consulting firms*.

Foundation, the black-market sales in California are already equal to 28.3 percent of the market.¹³ Taking the inverse of this (71.7 percent) would equal the legal sales. Assuming that the black-market rate stays constant, then the shift from Los Angeles to other parts of California sales would be 0.28 multiplied by 0.717, or 0.201. This means that 20 percent of lost menthol sales would transfer to other parts of California.

With these substitution percentages, the effect of the ban on both Los Angeles and California sales can be calculated. (See Table 7)

Table 7
State and City Impacts Resulting from A Menthol Cigarette Ban in Los Angeles

	Direct		Supplier		Induced		Total	
	LA	CA	LA	CA	LA	CA	LA	CA
Jobs	(518)	179	(139)	76	(209)	146	(866)	401
Wages	\$ (28,996,500)	\$ 9,531,079	\$ (10,125,979)	\$ 6,197,553	\$ (11,676,755)	\$ 9,237,233	\$ (50,799,233)	\$ 24,965,865
Economic Output	\$ (71,434,222)	\$ 23,279,499	\$ (31,861,746)	\$ 26,799,974	\$ (34,109,931)	\$ 28,332,316	\$ (137,405,898)	\$ 78,411,789

As the table shows, 518 jobs directly related to the sale of menthol cigarettes will be lost in Los Angeles, offset by 179 jobs gained in other parts of California, and 57.1 percent of the overall economic loss to LA would be made up for by economic gains in the state economy. These effects are due to adult smokers purchasing their menthol cigarettes in California, outside of Los Angeles.

Cigarette Sales and Tax Revenues

Cigarette tax revenues are driven by both the volume of cigarettes sold in a particular jurisdiction as well as the price. Actual sales volumes in Los Angeles were provided by the California Fuels & Convenience Alliance.

The average retail price for a pack of cigarettes (less sales taxes) in Los Angeles is calculated to be \$11.80. This price estimate is calculated based on the retail output (or gross margin) from the economic impact model. Dividing gross output by the retail margin of 0.2399 provides an estimate of the price of cigarettes prior to taxes.¹⁴ The final price of \$11.80 per pack, is calculated by adding in Federal and state excise taxes, as well as the MSA payment.

Table 8
State and City Impacts Resulting from A Menthol Cigarette Ban in Los Angeles

	Existing	After Ban
Total Packs	35,714,273	27,529,534
Total Value	\$ 421,393,564	\$ 324,821,641
Menthol Packs	14,111,618	-
Menthol Value	\$ 166,503,316	\$ -
Non-Menthol Packs	21,602,655	27,529,534
Non-Menthol Value	\$ 254,890,248	\$ 324,821,641

Based on the price of \$11.80 per pack, a total of \$421.4 million worth of menthol cigarettes are currently

¹³ Drenkard, Scott, *Cigarette Taxes and Cigarette Smuggling by State, 2015*, **FISCAL FACT No. 565**, The Tax Foundation, November 6, 2017. On-line at: <https://files.taxfoundation.org/20171106130335/Tax-Foundation-FF565.pdf>

¹⁴ See: *Margins After Redefinitions: 2007 Detail*, Industry Economic Accounts Directorate, Bureau of Economic Analysis (BEA), U.S. Department of Commerce.

sold on an annual basis in Los Angeles. With a city sales tax of 2.5 percent, this generates a total of nearly \$9.5 million in sales tax revenues.

If the sale of menthol cigarettes were banned Los Angeles, the entire \$421.4 million worth of sales would be lost. Based on the elasticities the lost menthol sales would be offset by gains in other cigarette sales of 5.9 million packs, or about \$69.9 million. (Table 8)

San Francisco Methodology

Two primary data sources were used in deducing the impact of San Francisco’s ban on flavored tobacco products, the Quarterly Census of Employment and Wages, a publication produced by the Bureau of Labor Statistics tracking 95 percent of all jobs in the United States, and proprietary scanner data tracking shipments of tobacco products to San Francisco and surrounding counties.¹⁵ For this analysis, measurements from both these sources date from January 2017, and capture monthly information concerning employment and sales respectively.

To compute the effect of the ban on employment, several relevant industries were selected, including convenience stores, gas stations, tobacco stores, and liquor stores, and then their monthly employment statistics in each Bay Area county were pulled from the QCEW database.¹⁶ These numbers were then regressed against time, the respective industry employment numbers for the state of California, seasonal adjustment factors, and an added dummy variable corresponding to the start of the flavor ban. Ultimately, these models demonstrated a statistically significant impact ($p < .001$) on employment for both convenience stores and gas stations in San Francisco, although no statistically significant impacts were found in surrounding counties.

Table 9
Outputs for Regression on QCEW Data

Convenience Store Employees				Gas Station Convenience Store Employees			
Variable Name	Coefficient	P-Value	Significance	Variable Name	Coefficient	P-Value	Significance
(Intercept)	(96.52)	0.67	Not significant	(Intercept)	398.80	0.08	90%
Date	-	0.25	Not significant	Date	-	0.29	Not significant
CA Convenience Employees	0.01	0.00	99%	CA Gas Employees	0.02	0.04	95%
Flavor Ban	(45.84)	0.00	99%	Flavor Ban	(34.88)	0.00	99%
January	4.47	0.52	Not significant	January	(8.74)	0.37	Not significant
February	2.81	0.65	Not significant	February	(11.11)	0.22	Not significant
March	(3.43)	0.54	Not significant	March	(4.57)	0.60	Not significant
April	(0.50)	0.94	Not significant	April	(2.30)	0.79	Not significant
May	2.02	0.72	Not significant	May	4.21	0.63	Not significant
June	(6.62)	0.20	Not significant	June	(2.18)	0.81	Not significant
July	(19.51)	0.00	99%	July	4.54	0.69	Not significant
August	(20.66)	0.00	99%	August	1.00	0.94	Not significant
September	(10.49)	0.07	93%	September	(7.05)	0.54	Not significant
October	2.02	0.71	Not significant	October	7.41	0.45	Not significant
November	(0.52)	0.92	Not significant	November	(1.87)	0.84	Not significant
Model F Statistic:	35.02	R ² :	0.9703	Model F Statistic:	10.59	R ² :	0.9703
Model Significance:	99%	Adj R ² :	0.9426	Model Significance:	99%	Adj R ² :	0.9426

To compute the effect of the ban on sales of tobacco products, scanner data for each tobacco product in each county was regressed against time, seasonal adjustment factors, and a dummy variable to measure the effect of the ban. Additionally, the information was further broken down and regressed to measure the effect on convenience stores, as the previous regressions conducted on employment data had indicated they were the most severely impacted industry.

¹⁵ Proprietary data source capturing retail data for tobacco related products.

¹⁶ *Quarterly Census of Employment and Wages*, US Department of Labor, Bureau of Labor Statistics, at: <https://www.bls.gov/cew/>

Economic Impact of the Ban on Flavored Tobacco Products in San Francisco

**Prepared for the
California Fuels & Convenience Alliance**



By

**John Dunham & Associates
New York**

January 9, 2020

Economic Impact of the Ban on Flavored Tobacco Products in San Francisco

Executive Summary

Following the passage of Proposition E in June of 2018, all retailers selling tobacco products in San Francisco were required to remove flavored products, including flavored cigars, flavored vapor liquid (e-cigarette liquid), and menthol cigarettes, from their shelves by the start of 2019. Now, with 2019 coming to a close, it is possible to measure the impact this regulation has had on the City of San Francisco, the greater Bay Area, and the State of California.

The impact of this regulation is of particular interest to the convenience store industry. Due to their already thin margins, convenience stores and gas stations are particularly harmed by this ban, as many rely on tobacco sales to maintain their profitability.¹ In addition, these stores are disproportionately harmed as many adult consumers who may make purchases in addition to tobacco, chose to do so outside of San Francisco, where they can purchase their preferred tobacco products.

Overall, the direct loss to San Francisco's economy as a result of the ban is more than \$17.6 million in sales, \$2.2 million in wages, and \$2.06 million in local tax revenue annually. Convenience stores have lost approximately 81 jobs in the city as a result of the ban.

Results

Following the passage of Proposition E in June of 2018, all tobacco retailers in San Francisco were required to remove flavored products, including flavored cigars, flavored vapor liquid (e-cigarette liquid), and menthol cigarettes, from their shelves by the start of 2019.

This ban has cost jobs in San Francisco's retail community. Based on retail scan data, retailers in San Francisco have lost almost \$17.7 million in tobacco sales. Some, though not all, of these sales simply shifted to retailers outside of San Francisco. For example, the change in sales for retailers in San Mateo County implies that over a quarter of menthol cigarette consumers and 10 percent of flavored cigar smokers purchased their products across the city limit, where flavored products remain legal in most incorporated communities.

Table 1
Sales, Employment, and Wages Impact of Flavored Tobacco Ban on San Francisco

	Sales	Jobs	Wages
San Francisco	-\$17,695,000	(81)	-\$2,263,000
Convenience Stores	-\$5,654,000	(46)	-\$1,120,000
Gas Stations	-\$4,302,000	(35)	-\$1,143,000
Other	-\$7,739,000	*	*
San Mateo County	\$3,541,000	*	*
Convenience Stores	\$1,054,000	*	*
Gas Stations	\$842,000	*	*
Other	\$1,645,000	*	*
Total	-\$14,154,000	(81)	-\$2,263,000

* While there would be an impact in terms of jobs and wages, the results of the model were not statistically significant

¹ See for example: Gleeson Patrick and Jayne Thompson, *What Is the Average Gross Revenue of a Convenience Store?* [Houston Cornicle](https://smallbusiness.chron.com/average-gross-revenue-convenience-store-35712.html), online updated on April 2, 2019, at: <https://smallbusiness.chron.com/average-gross-revenue-convenience-store-35712.html>

Lost sales generally mean lost jobs for retailers. Employment in retail is linearly related to sales volumes, so one should expect to see jobs move along with sales.² This has been the case in San Francisco, where tobacco retailers have seen a loss of over 80 jobs and nearly \$2.3 million in wages for workers. Interestingly, the effects in nearby San Mateo county have been much smaller, and there is no statistically significant increase in job growth.

This suggests that shoppers in San Francisco not only purchased their flavored tobacco products outside of the city following the ban, but have also shifted other purchases outside of the city, forcing serious downsizing by retailers in the City by the Bay.

Table 2
Business Tax Impact of Flavored Tobacco Ban on San Francisco

	Income	Payroll	Gross Reciepts	Total
Convenience Stores	-\$16,800	-\$4,300	-\$7,600	-\$28,700
Gas Stations	-\$17,100	-\$4,300	-\$5,800	-\$27,200
Other	*	*	-\$10,400	-\$10,400
Total	-\$33,900	-\$8,600	-\$23,800	-\$66,300

* While there would be an impact in terms of jobs and wages, the results of the model were not statistically significant

Due to the loss of employment, the city collects less in income taxes and payroll expense tax. Additionally, the loss of flavored tobacco sales has reduced the revenue collected from San Francisco's gross receipts tax. Although this number seems small, it likely underestimates the loss of revenue by a significant margin, particularly if consumers shift other purchases away from San Francisco and its relatively high taxes.

A number of taxes are applied to tobacco products before they reach the customer, including at the state, federal, and county level. These taxes vary across products, including unit excise taxes, wholesale or retail value taxes, and sales taxes. In addition to the local sales tax applied throughout California, San Francisco levies an additional \$0.85 tax per pack of cigarettes, called the cigarette litter abatement fee.

Table 3
Taxes Applied to Tobacco Products in San Francisco and San Mateo County

Levy (Product, unit)	Amount
Federal Excise Tax (Cigarettes, pack)	\$1.01
Federal Excise Tax (Snuff, oz)	\$0.094
Federal Excise Tax (Chewing, oz)	\$0.031
Federal Excise Tax (Cigars)	52.75% / \$0.4026
California Excise Tax (Cigarettes, pack)	\$2.87
California (Other Tobacco Products)	59.27%
Cigarette Litter Abatement Fee (Cigarettes, pack)	\$0.85
California Sales Tax	6.00%
San Francisco County Sales Tax	2.50%
San Mateo County Sales Tax	3.25%

Because the ban has eliminated the taxable purchase of flavored products in San Francisco, it has also eliminated any revenue collected from their sale. While some of the taxes collected by California are instead collected from purchases in surrounding areas, overall revenue for the State has declined, and taxes specific to San Francisco, such as the Litter Abatement Fee, have fallen dramatically.

² DeFranco, Laurence J., William Lilley III and John R. Dunham, *The Case of the Transient Taxpayer How Tax-Driven Price Differentials for Commodity Goods Can Create Improbable Markets*, Business Economics, July 1998.

Table 4
Taxes Collected on Tobacco Products in San Francisco and Nearby Counties

Levy Name	Change (\$)
Federal Excise	-\$2,288,000
State Excise	-\$5,440,000
Cigarette Litter Abatement Fee	-\$1,559,000
State Sales Tax	-\$849,000
San Francisco Sales Tax	-\$442,000
Other Bay Area Sales Tax	\$115,000
Total Federal Tax	-\$2,288,000
Total State Tax	-\$6,289,000
Total San Francisco Tax	-\$2,001,000
Total Other Bay Area Tax	\$115,000
Total	-\$10,463,000

Overall, consumption tax revenue has fallen by over \$2.0 million in San Francisco and about \$6.3 million in California, while the offsetting rise in revenue collected by nearby counties is only \$115,000.

Adding all of the taxes together brings the total cost to San Francisco's government to \$2.1 million annually.

Methodology:

Two primary data sources were used in deducing the impact of San Francisco’s ban on flavored tobacco products, the first being the Quarterly Census of Employment and Wages, a publication produced by the Bureau of Labor Statistics tracking 95 percent of all jobs in the United States, and the second being proprietary scanner data tracking shipments of tobacco products to San Francisco and surrounding counties.³ For this analysis, measurements from both these sources date from January 2017, and capture monthly information concerning employment and sales respectively.

To compute the effect of the ban on employment, several relevant industries were selected, including convenience stores, gas stations, tobacco stores, and liquor stores, and then their monthly employment statistics in each Bay Area county were pulled from the QCEW database.⁴ These numbers were then regressed against time, the respective industry employment numbers for the state of California, seasonal adjustment factors, and an added dummy variable corresponding to the start of the flavor ban. Ultimately, these models demonstrated a statistically significant impact ($p < .001$) on employment for both convenience stores and gas stations in San Francisco, although no statistically significant impacts were found in surrounding counties.

Table 5
Outputs for Regression on QCEW Data

Convenience Store Employees				Gas Station Convenience Store Employees			
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November	(0.52)	0.92	Not significant	November	(1.87)	0.84	Not significant
Model F Statistic:	35.02	R ² :	0.9703	Model F Statistic:	10.59	R ² :	0.9703
Model Significance:	99%	Adj R ² :	0.9426	Model Significance:	99%	Adj R ² :	0.9426

To compute the effect of the ban on sales of tobacco products, scanner data for each tobacco product in each county was regressed against time, seasonal adjustment factors, and a dummy variable to measure the effect of the ban. Additionally, the information was further broken down and regressed to measure the effect on convenience stores, as the previous regressions conducted on employment data had indicated they were the most severely impacted industry.

While the employment model did not reveal a statistically significant impact on employment in counties outside of San Francisco, the regressions performed on scan data demonstrated a statistically significant impact on menthol cigarette sales ($p < .05$) and cigars ($p < .01$) in San Mateo County, demonstrating the shift in sales due to consumers circumventing the ban.

³ Proprietary data source capturing retail data for tobacco related products.

⁴ *Quarterly Census of Employment and Wages*, US Department of Labor, Bureau of Labor Statistics, at: <https://www.bls.gov/cew/>

Table 6
Outputs for Regression on Scan Data

San Francisco Menthol Cigarette Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	2,198,048.00	0.00	99%
Date	(113.94)	0.01	99%
Seasonality	55,297.06	0.00	99%
Flavor Ban	(152,844.50)	0.00	99%
Model F Statistic:	61.87	R ² :	0.8609
Model Significance:	99%	Adj R ² :	0.8470

San Francisco Vape Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	(1,070,640.00)	0.00	99%
Date	63.36	0.01	99%
Seasonality	12,865.09	0.00	99%
Flavor Ban	(15,086.72)	0.00	99%
Model F Statistic:	17.47	R ² :	0.6360
Model Significance:	99%	Adj R ² :	0.5996

San Francisco Smokeless Tobacco Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	177,947.50	0.09	91%
Date	(7.82)	0.18	81%
Seasonality	10,357.37	0.00	99%
Flavor Ban	(15,245.82)	0.00	99%
Model F Statistic:	31.9	R ² :	0.7613
Model Significance:	99%	Adj R ² :	0.7374

San Francisco Cigar Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	1,163,394.00	0.39	Not significant
Date	(36.69)	0.63	Not significant
Seasonality	143,332.70	0.00	99%
Flavor Ban	(165,908.00)	0.00	99%
Model F Statistic:	20.59	R ² :	0.6731
Model Significance:	99%	Adj R ² :	0.6404

San Mateo Menthol Cigarette Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	(66,488.58)	0.89	Not significant
Date	16.95	0.52	Not significant
Seasonality	78,072.47	-	100%
Flavor Ban	38,191.08	0.03	96%
Model F Statistic:	25.68	R ² :	0.7197
Model Significance:	99%	Adj R ² :	0.6917

San Mateo Cigar Sales			
Variable Name	Coefficient	P-Value	Significance
(Intercept)	(255,592.90)	0.16	84%
Date	18.95	0.07	93%
Seasonality	21,222.35	0.00	99%
Flavor Ban	(16,536.15)	0.02	98%
Model F Statistic:	12.73	R ² :	0.5601
Model Significance:	99%	Adj R ² :	0.5161

Taxes were calculated by multiplying sales and employment data by tax rates made publicly available by the San Francisco Office of the Treasurer and Tax Collector.⁵

⁵ See: *Taxes & Fees*, Treasurer & Tax Collector, City and County of San Francisco, at: <https://sftreasurer.org/business/taxes-fees>

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Public Comments

Agenda Item 10

Written Comments Received By 12pm on 2/28/2022



February 28, 2022

City Council Meeting

From: Maureen Garcia [REDACTED]
Sent: Sunday, February 27, 2022 1:17 PM
To: _City Council Group; Public Comment
Cc: Ben Garcia
Subject: Public Comment: Support for Agenda Item 1: Unhoused in Pacifica Motorhome Permit Parking Pilot Program and Recreational Vehicle Loading/Unloading Permit Pilot Program

[CAUTION: External Email]

Dear City Council members,

I live in West Fairway Park and would like to express support for the Motorhome Permit Parking Pilot Program for Unhoused in Pacifica. I am distressed by the NIMBY attitude of many of my neighbors, and am thankful that City Council wants to implement a compassionate yet structured program to respond to the reality of the many unhoused Pacificans living in RVs. Please do not be intimidated by those fearful of property value declines, crime, and/or garbage - it's a one-year pilot program, and can be evaluated and improved upon at the end of the program.

Best regards,

Maureen Garcia
[REDACTED]
Pacifica, CA 94044

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From: Jane Herman [REDACTED]
Sent: Sunday, February 27, 2022 8:12 PM
To: Public Comment
Subject: RV parking revisions

[CAUTION: External Email]

I am writing to question the agenda item at hand. There is a description of 13 parking places throughout the city, and the reference to funding not only the program but a position to support his. Nowhere did I find information about the cost and description of responsibilities of the position mentioned in the supporting documents.

Secondly I question the continued parking of 4-5 oversized vehicles in the Linda Mar Beach parking lot closest to the pump station when this is not one of the prescribed parking areas.

I believe these are reasonable questions that warrant a detailed response.

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From: deborah macdonald [REDACTED]
Sent: Sunday, February 27, 2022 10:53 PM
To: Public Comment; Public Comment
Subject: Fw: Feb 28 2922 genda Item number 1O. request to recuse Mr. Bigstyck/conflict of interest

[CAUTION: External Email]

Subject: Feb 28 2922 aenda Item number 1O. request to recuse Mr. Bigstyck/conflict of interest

I would like to request that Mr Bigstyck recuse himself from item 10 of the 2/28 2022 Council agenda.. It is my opinion that Mr. Bigstyck's long admirable relationship with the Pacifica Resource Center, including being a member on the Board of directors.leaves him in a position of a significant conflict of interest.

Deborah MacDonald
[REDACTED]

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From: JESSICA HAGE [REDACTED]
Sent: Monday, February 28, 2022 9:31 AM
To: Bier, Mary; Public Comment
Subject: Increase of RVs parked in Fairway Drive

[CAUTION: External Email]

Mary,

As a long time Pacifica resident who has lived here most of my life and now raising two teenagers in this town, I am writing again to express my concern over the growing homeless population and the number of RVs that are parked on our city streets. I live in Fairway Park and worry every time my children want to ride their bikes to the beach, boba tea spot, etc because of the number of homeless people living in RVs.

In the last 4-6 weeks, the number of RVs that are parked along the golf course has significantly increased and some of them have not moved out of that area since they arrived. It looks that one of them is parked near a storm drain and there has been evidence that they are dumping into that storm drain. I am also aware of a family that has a history of drug use staying in one of the RVs. I am aware of both of these situations as I walk my dogs by the area frequently throughout the week and have witnessed this with my own eyes.

I write this email to you trying to keep the emotion out of it all and stating only facts but it's difficult because as a resident of Pacifica my entire life, I have recently seen how much the city has changed over the years. My fear is that when the police have no recourse over this situation, the tax paying citizens of our town lose their rights and the individuals living in RVs have more rights than the homeowners who are paying taxes. The tax paying citizens lose their rights and are forced to live and accept this situation. It has gotten to the point where my family has started to seriously consider moving out of the area and that saddens me because Pacifica has been our home our entire lives. There is a fine line of helping the ones that are truly asking for help and in need vs enabling the ones who do not want help and do not respect the beauty of our town. We risk an increase in crime, mental health issues and pollution to our town. If we do not come up with a clear guidance and resolution, we risk our town becoming like San Francisco.

Even without the unprecedented COVID-19 crisis, it is unconscionable that our fair city should consider allowing RVs to park and live on our city streets. We strongly oppose the idea that RVs be allowed to park in our city and in our neighborhoods. These locations do not allow for hookups or provide a way for RV dwellers to properly dump their waste. The city must make a firm decision to say NO to RVs parked indefinitely on our streets and in our neighborhoods. It is unsafe, unsanitary, and a waste of the city's limited resources to even consider. As tax-paying citizens, I like many other residents oppose RVs permitted to park on city streets, yet the city manager is proposing RV dwellers can park and live here indefinitely. We need to keep our streets clean and safe for our children and families.

I do plan on attending the City Council meeting tonight and hope that our town can find a solution to move the RVs out of our neighborhoods and move on from this ongoing topic that needs to be resolved ASAP.

Jessica Hage

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From: mark stechbart [REDACTED]
Sent: Monday, February 28, 2022 11:32 AM
To: Public Comment; clay@coastsidenewsgroup.com
Subject: testimony-- feb 28 counci item 10, homeless parking plan, contract

[CAUTION: External Email]

contract award to PRC is artificially rushed and ill advised. Need contract to go out to bid, as HMB has done.

[lifemoves.org](https://www.lifemoves.org) is a seasoned and sophisticated service provider. has financials on their website. A serious board, complete staff bios, an advisory committee. Multi-million dollar program.

PRC has no metrics on the website that show any level of housing success. What PRC does engage in is self congratulatory back-patting and unverified claims of placements.

Finally, the contract and ultimate city vendor to run this 13-space program must honor ca public records law.

https://www.hmbreview.com/news/county-chooses-lifemoves-to-operate-shelter/article_1c0b6dfc-9e1a-11eb-a8fd-47961f3b833a.html



County chooses LifeMoves to operate shelter | Local News Stories | [hmbreview.com](https://www.hmbreview.com) - Half Moon Bay Review

Half Moon Bay, CA (94019) Today. Sunny. High 52F. Winds N at 10 to 15 mph.. Tonight

www.hmbreview.com

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From: [Andrew Witt](#)
To: [Public Comment](#)
Subject: Re: Agenda item 10 ; Temporary Safe Parking Program
Date: Monday, February 28, 2022 11:56:14 AM

[CAUTION: External Email]

February 28, 2022

Pacifica City Council

Dear Council,

I'm writing you today to voice my support for the Temporary Safe Parking program. Implementation of the pilot program when it was first proposed would have prevented the need for a court to affirm the rights of the vehicularly housed and remind the city of Pacifica of its duties to all its citizens and residents. If it had been implemented when it was first proposed, it would have provided a humane and organized pathway to those who are transitionally housed in their vehicles while simultaneously disincentivizing those who are unwilling to adhere to common sense community expectations.

At the time it was carefully planned with stakeholder input and relatively inexpensive. The city of Pacifica chose instead to adopt a ham handed and knee jerk response to a complicated problem costing taxpayers residents and the city valuable time and resources.

Let's not make the same mistake of missing the opportunity to implement an inexpensive, organized, humane, and well planned solution that will reward those who are *willing* to do the work to help themselves.

Best regards,

Andrew Witt

From: Betsy Giovannoni [REDACTED]
Sent: Monday, February 28, 2022 12:21 PM
To: Public Comment
Subject: Safe parking plan #10

[CAUTION: External Email]

Dear City Council members, I would like to add support for the Safe Parking Plan proposed by Pacifica Resource Center. A lot of work has gone into developing a plan that will help those in need and also curtail concerns regarding waste and trash disposal. I urge you to support it.

Thank you

Betsy Giovannoni

40 year Pacifica home owner

Sent from my iPhone

CAUTION: This email originated from outside of the City of Pacifica. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.

From: Coffey, Sarah
Sent: Monday, February 28, 2022 2:37 PM
To: Public Comment
Subject: FW: Agenda Item #10 for Council meeting 2-28-22

From: deni asnis [REDACTED]
Sent: Monday, February 28, 2022 2:28 PM
To: _City Council Group <CityCouncil@ci.pacifica.ca.us>; Coffey, Sarah <scoffey@pacifica.gov>
Cc: Asnis Deni [REDACTED]
Subject: Agenda Item #10 for Council meeting 2-28-22

[CAUTION: External Email]

Dear Pacifica City Council,

I am writing to express support for the Operations Agreement for the Safe Parking Program and I recommend that the Council adopt the resolution. I am tremendously appreciative of the work of the Pacifica Resource Center in its steadfast efforts on behalf of this project. I single out the inclusion of a Provisional Permit for its recognition that unhoused folks are in different circumstances and may need more time to qualify in this pathway to permanent housing.

I also honor the courageous work of the plaintiffs of the federal lawsuit and their counsels. I am glad the City of Pacifica is joining all this important work.

As the effects of the pandemic, a troubled economy, and long-term systemic underfunding for low-income housing continue to impact unhoused people in Pacifica, the state and country, I applaud those who have worked on this Agreement as one step in mitigating the cruel impact of these things and providing needed support.

Thank you,

Deni Asnis, Rockaway

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Public Comments

Agenda Item 11

Written Comments Received By 12pm on 2/28/2022



February 28, 2022

City Council Meeting

From: Plastic Free Future [REDACTED]
Sent: Friday, February 25, 2022 4:44 PM
To: Public Comment
Subject: Meeting Date February 28, 2022 - Agenda Item No. 11
Attachments: Reusable San Mateo County Coalition Public Comment Letter on Pacific Foodware Policy.pdf

[CAUTION: External Email]

Pacifica Mayor, Council and Staff
Mary Bier
Tygarjas Bigstyk
Sue Vaterlaus
Sue Beckmeyer
Mike O'Neil

2/25/2022

Re: Support of the Foodware Policy with a suggested amendment of mandatory reuse for onsite dining

Dear Mayor Bier, Council and Staff,

We applaud the provisions of the proposed ordinance that would reduce the use of disposable accessories and suggest further reducing use of disposable foodware and saving businesses money by amending the draft policy with mandatory reuse for onsite dining.

Please see public comment attachment and thank you for listening to the voices of our community:

Alejandra Warren
<https://plastic-free-future.org/>
<https://www.reusablesanmateocounty.org/>

Sally Liu
<https://www.reusablesanmateocounty.org/>

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Pacifica Mayor, Council and Staff

Mary Bier

Tygarjas Bigstyck

Sue Vaterlaus

Sue Beckmeyer

Mike O'Neil

2/25/2022

Re: Support of the Foodware Policy with a suggested amendment of reuse for onsite dining

Dear Mayor Bier, Council and Staff,

We applaud the provisions of the proposed ordinance that would reduce the use of disposable accessories and suggest further reducing use of disposable foodware and saving businesses money by amending the draft policy with reuse for onsite dining.

What does reuse for onsite dining mean? It means that when you sit at a restaurant to eat your meal doesn't come in single use disposable foodware - like paper or plastic clamshells, single use cups and cutlery, and single serving size condiments. It means you eat off of real plates and bowls, and drink from a real cup. It reduces waste and saves restaurants money.

Reducing single-use foodware is a win-win-win. It will (1) save the City money with respect to cleaning up street litter and stormwater trash, (2) save businesses money from reduced waste and litter cleanup costs as well as less money spent on purchasing foodware, and (3) reduce the environmental impact of packaging waste.

Reusable Foodware Saves Businesses Money

Reusable foodware for onsite dining is not only better for the planet, it's an economic win for food businesses. Extensive outreach by ReThink Disposable has proven that switching to reusables for onsite dining saves businesses money - every time. While we applaud the proposed ban of foodware laden with toxic chemicals (PFAS) and are very

supportive of the disposable foodware policy, the move to mandatory compostable BPI certified to-go containers and disposable foodware will be expensive.

In contrast, reusable foodware for onsite orders and in-restaurant dining will save restaurants 100s to 10000s of dollars a year with very little initial investment. We analyzed Pacifica's 92 restaurants (see Figure 1) to look at the cost and waste impact of converting to the San Mateo County Disposable Foodware Ordinance as is (see Table 1), and then with a reusable foodware for onsite dining (see Figures 2). The reusable foodware policy for onsite dining 100% saves the restaurant industry money, **averaging \$4,700 savings per restaurant for a total of \$240,000 for the entire restaurant industry each year**. The combined two policies (see Table 2) demonstrate an estimated **total annual cost savings of \$163,000** to the restaurant sector in Pacifica. The waste reduction is over 10s of millions of single use plastic, paper, and fiber based waste items.

ReThink Disposable and the Office of Sustainability are offering mini grants to Pacifica restaurants to cover the costs of purchasing reusable foodware for onsite dining. We would like to see an opportunity for foodservice businesses to recover with reuse and save money on single use disposables in this challenging time for small businesses, and restaurants most of all. Reusable San Mateo County would be interested in assisting in the transition for small restaurant businesses to thrive with dine-in reuse.

Cities all over California have implemented policies regarding reusables for onsite dining. Half Moon Bay, Daly City, Berkeley, Santa Rosa, San Anselmo, Fairfax, Palm Springs, and Arcata have enacted policies. San Mateo County cities, Daly City and Half Moon Bay, have also included a requirement for reuse for onsite dining in their foodware policy that is not as strong or enforceable as the version we recommend for because they are not mandatory requirements. We urge the Council to include a more enforceable, required reuse approach.

Reusable Foodware is Better for the Planet

Overall, life cycle assessment evaluations make a strong case for reusables being a better choice in terms of a variety of environmental impacts once a break-even point

has been crossed. The exact break-even point will vary among product types as a result of production inputs and rates of loss, theft, or breakage. Nonetheless, our review shows that in as little as 10 uses and as many as 200 uses reusable cups and containers appear to achieve environmental benefits over the disposables they replace. For plates and bowls, environmental benefits can be achieved after as little as 10-50 uses, for clamshells it's 15-20, and in the case of utensils only two uses of a reusable are needed.

Addressing City Concerns

The majority of Pacifica restaurants already use reusables in some or all aspects of their onsite dining. Thus, the education and technical assistance is not a huge lift. As with previous sustainability ordinances in the food industry, enforcement is led by additional education and technical assistance. Reusable San Mateo County's coalition member, Plastic Free Future, has supported past efforts by Pacifica to educate and provide technical assistance to convert to reusables. Plastic Free Future is voicing its willingness to provide future support, including help with waivers.

We suggest that the Mayor and Council move forward with adopting the draft foodware policy with an amendment for mandatory reusable foodware for onsite dining.

Sincerely,



Addendum: Cost & Waste Assessment of the SMC Disposable Foodware ordinance (with Recommended Dine-in Reuse Amendment) by Reusable San Mateo County

Suggested Ordinance language

DEFINITIONS REQUIRED:

“Reusable” means Food Service Ware designed and manufactured to maintain its shape and structure, and to be materially durable for repeated (at least 750 times each) sanitizing in water at 171 degrees Fahrenheit for at least 30 continuous seconds, washing via commercial dishwashing machine, and reuse. Reusable Food Service Ware shall not be made from, treated with, or contain any Unacceptable Plastics or aluminum.

“Unacceptable Plastics” means any kind of polyvinyl chloride (PVC), polystyrene, polycarbonate, or melamine material, or any bamboo material that uses a resin or other form of binding agent containing PVC, polycarbonate, melamine or a High Priority Chemical.

REUSABLE FOODWARE FOR DINING ON-PREMISES.

[Effective 12 months after ordinance adoption]

1. Food Facilities shall only serve Prepared Food for consumption on the premises using Reusable Food Service Ware, except that non-Reusable paper food wrappers, foil wrappers, paper napkins, straws and paper tray- and plate-liners shall be allowed for dining on the premises, so long as they meet the requirements of (insert section related to compostable requirement).
2. Condiments, such as sauces, ketchup, or mustard, provided for on-site consumption must be served in Reusable containers.
3. Consumption is considered on-premises if it takes place at tables and/or seating provided by the Food Facility, either on its own or in conjunction with other Food

Facilities.

4. This requirement does not prohibit a Food Facility from offering, upon a customer's request, non-Reusable Food Service Ware to take away leftover food after dining on the premises.
5. Food Facilities subject to the requirements of subsection (a) that do not have onsite or off-site dishwashing capacity, or are unable to contract for services to wash, rinse, and sanitize Reusable Food Service Ware, in order to comply with applicable provisions of the California Retail Food Code (sections 113700 - 114437 of the California Health and Safety Code), may petition the City (who?) for a full or partial waiver for up to one year at a time if the owner or operator can demonstrate that application of the specified provisions of this Section would create undue hardship or practical difficulty for the Prepared Food Provider not generally applicable to other Prepared Food Providers in similar circumstances. Non-Reusable Food Service Ware used pursuant to a waiver obtained under this Section must comply with all requirements set forth in Section (insert compostable requirements section).
6. During a public health emergency or natural disaster, the Town Manager or his or her designee may exempt Food Facilities from the provisions of this section for the immediate preservation of the public peace or health or safety, or in response to resulting labor shortages.

Figure 1. Reusable and Disposable Food Ware Use in Pacifica Restaurants

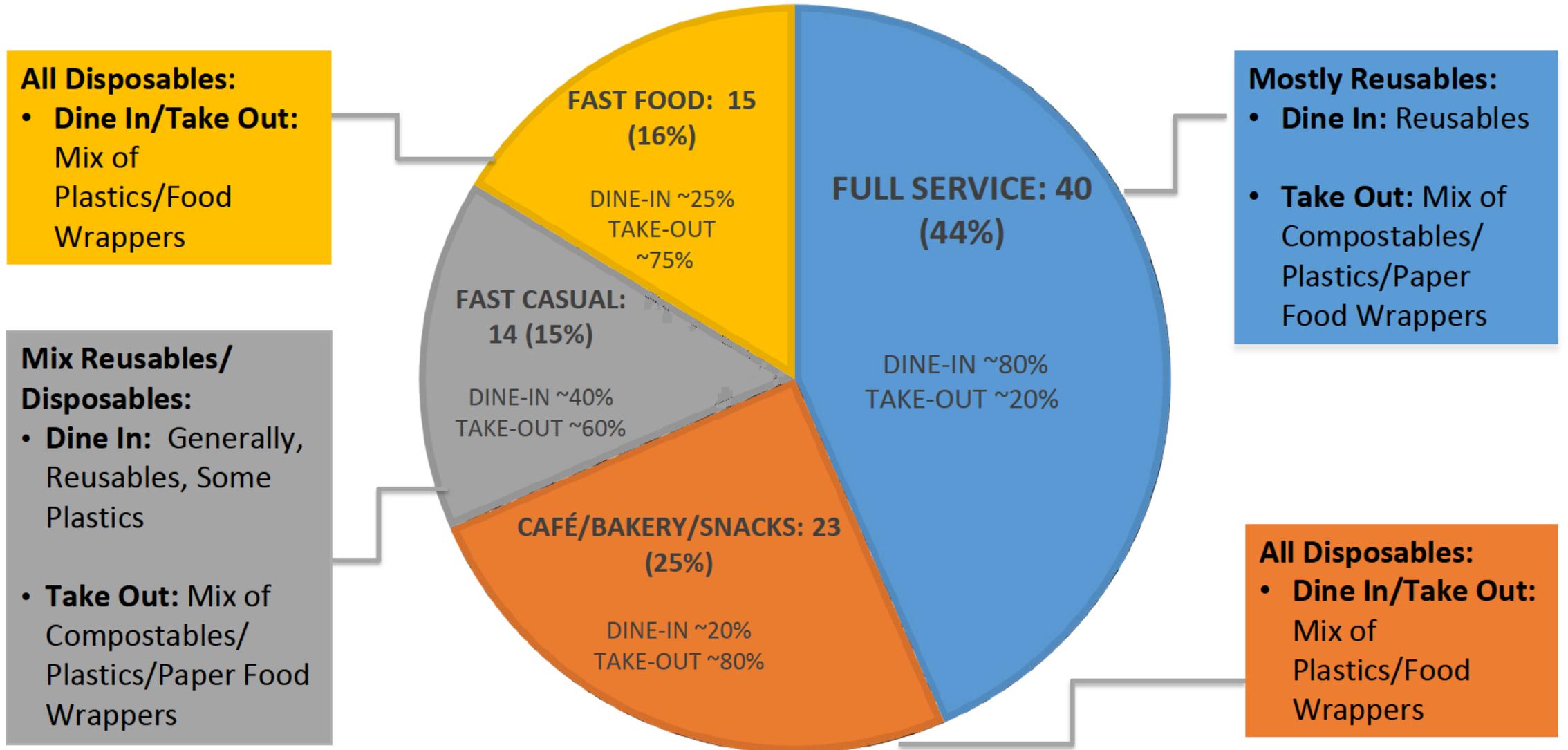


Table 1. Cost and Waste Impacts of Proposed Disposable Foodware Policy

Restaurant Sector	# of Restaurants	Sector %	Average Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Accessories Upon Request Waste Reduction (# items)	Plastic to Compostable Waste Conversion (# items)
Café/Bakery/Snack	23	25%	\$5,169	\$118,893	7,379,550	4,919,700
Fast Casual	14	15%	(\$4,682)	(\$65,546)	1,740,960	2,418,000
Fast Food	15	16%	(\$10,190)	(\$152,844)	11,771,250	5,566,250
Full Service	40	43%	\$229	\$9,176	3,124,800	992,000
All Restaurants	92	100%	(\$865)	(\$90,321)	24,016,560	13,895,950

Note: This is the *additional* costs or cost savings due to the ordinance, *not* the *total* cost of the disposable foodware.

Figure 2. Pacifica Restaurants: Conversion to Dine-in Reusables Potential Cost & Waste Savings

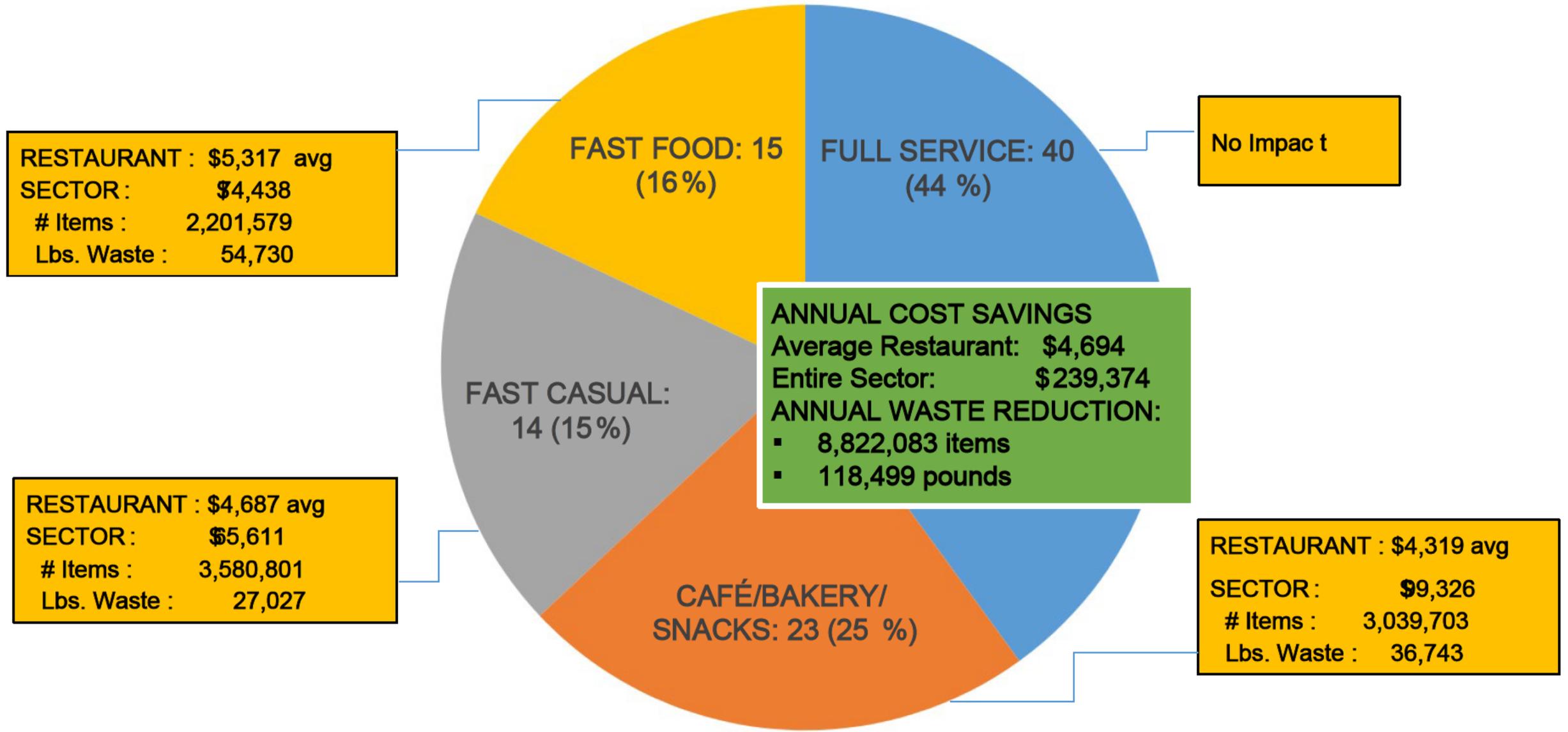


Table 2. Total Costs or Cost Savings of Disposable Foodware Use + Dine - In Reuse

Restaurant Sector	Disposable Foodware Ordinance ONLY		Dine-In Reusables Policy ONLY		Disposable Foodware Ordinance + Dine-In Reusables Policy COMBINED	
	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings
Café/Bakery/Snack	\$5,169	\$118,893	\$4,319	\$99,326	\$8,454	\$194,440
Fast Casual	(\$4,682)	(\$65,546)	\$4,687	\$65,611	\$5	\$65
Fast Food	(\$10,190)	(\$152,844)	\$5,317	\$74,438	(\$2,325)	(\$40,195)
Full Service	\$229	\$9,176	n/a	n/a	\$229	\$9,176
All Restaurants	(\$865)	(\$90,321)	\$4,694	\$239,374	\$1,604	\$163,485

Note: For the COMBINED Disposable Foodware Ordinance + Dine - In Reusables Policy, the Disposable Foodware Ordinance costs for ONLY take-out orders are included. These are: café/bakery/snack (80%), fast casual (60%), fast food (75%), and full service (20%).



PACIFICA

Cost & Waste Assessment of the SMC Disposable Foodware Ordinance with Recommended Dine-in Reuse Amendment

Reusable San Mateo County team:
Sally Liu, Reusable San Mateo County
Alejandra Warren, Plastic Free Future
Miriam Gordon, UPSTREAM

February 24, 2022



Resources:

[Website](#)



[Instagram](#)



[Facebook](#)



Reusable San Mateo County is a coalition of organizations, businesses, and community members who work to reduce plastic pollution to safeguard our public health, communities, and environment by championing a reusable culture.

Our Mission is to enable the move away from disposable, single-use foodware (clamshells, cups, utensils, etc.) to reusable foodware through policy and on-the-ground solutions.



Resources:

[Website](#)



[Instagram](#)



[Facebook](#)



OUR STANCE

Reusable San Mateo County **supports** the SMC Disposable Foodware Ordinance

Reusable San Mateo County **strongly recommends** a mandatory reusable foodware amendment for onsite dining

WHY?

The reusable foodware amendment **saves** restaurants money (\$4,700 per restaurant or \$240,000 for all Pacifica restaurants each year) and **eliminates** significant waste (9 million single use disposable foodware items each year)

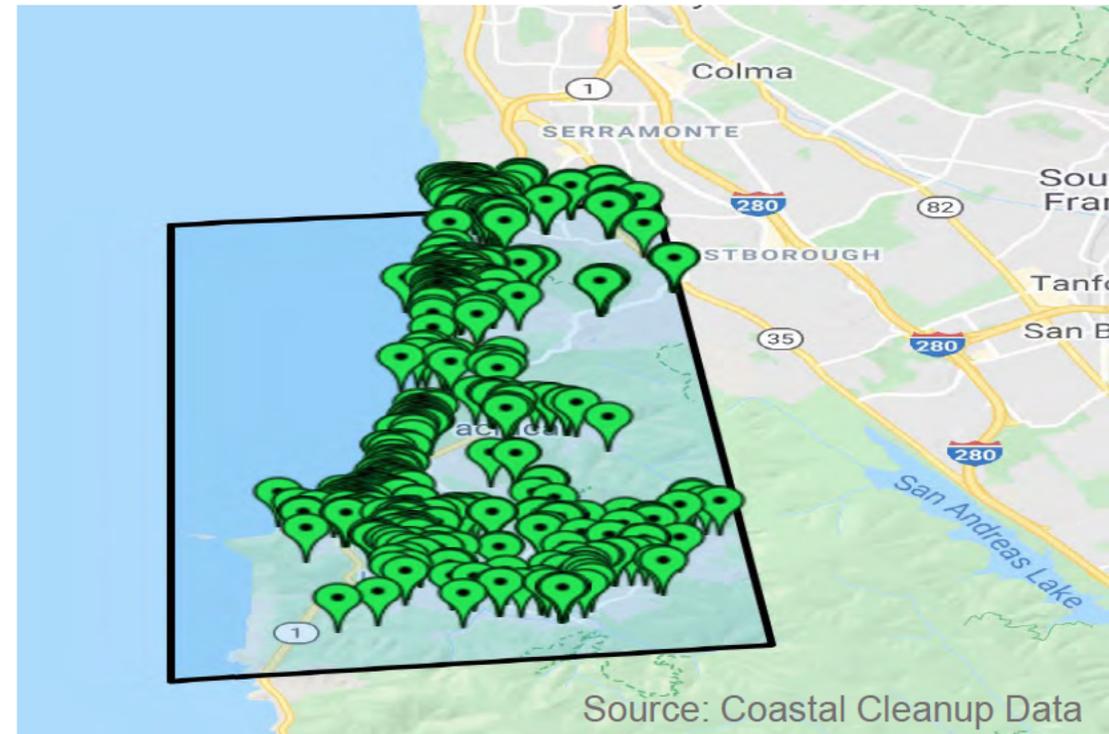


PLASTIC CHALLENGES

1. PLASTIC WASTE /CONVENIENCE CULTURE
2. STREET & STORMWATER LITTER
3. BROKEN RECYCLING SYSTEM
4. PLASTICS & HEALTH
5. BEACH & MARINE - ALL ECOSYSTEMS

Item	Total Pieces
1 Cigarette Butts	50,093
2 Other Trash (Clean Swell)	19,748
3 Food Wrappers (candy, chips, etc.)	6,579
4 Gloves & Masks (PPE)	2,616
5 Grocery Bags (Plastic)	2,314
6 Bottle Caps (Plastic)	2,063
7 Take Out/Away Containers (Plastic & Foam) ★	1,925
8 Beverage Bottles (Plastic)	1,891
9 Lids (Plastic)	1,809
10 Straws, Stirrers ★	1,550
11 Bottle Caps (Metal)	1,472
12 Beverage Cans	1,436
13 Personal Hygiene (Clean Swell)	1,300
14 Cups, Plates (Plastic) ★	1,246
15 Other tobacco (packaging, lighter, etc.)	1,216
16 Other Packaging (Clean Swell)	1,067
17 Forks, Knives, Spoons ★	1,032
18 Construction Materials	880
19 E-cigarettes	829
20 Strapping Bands	774

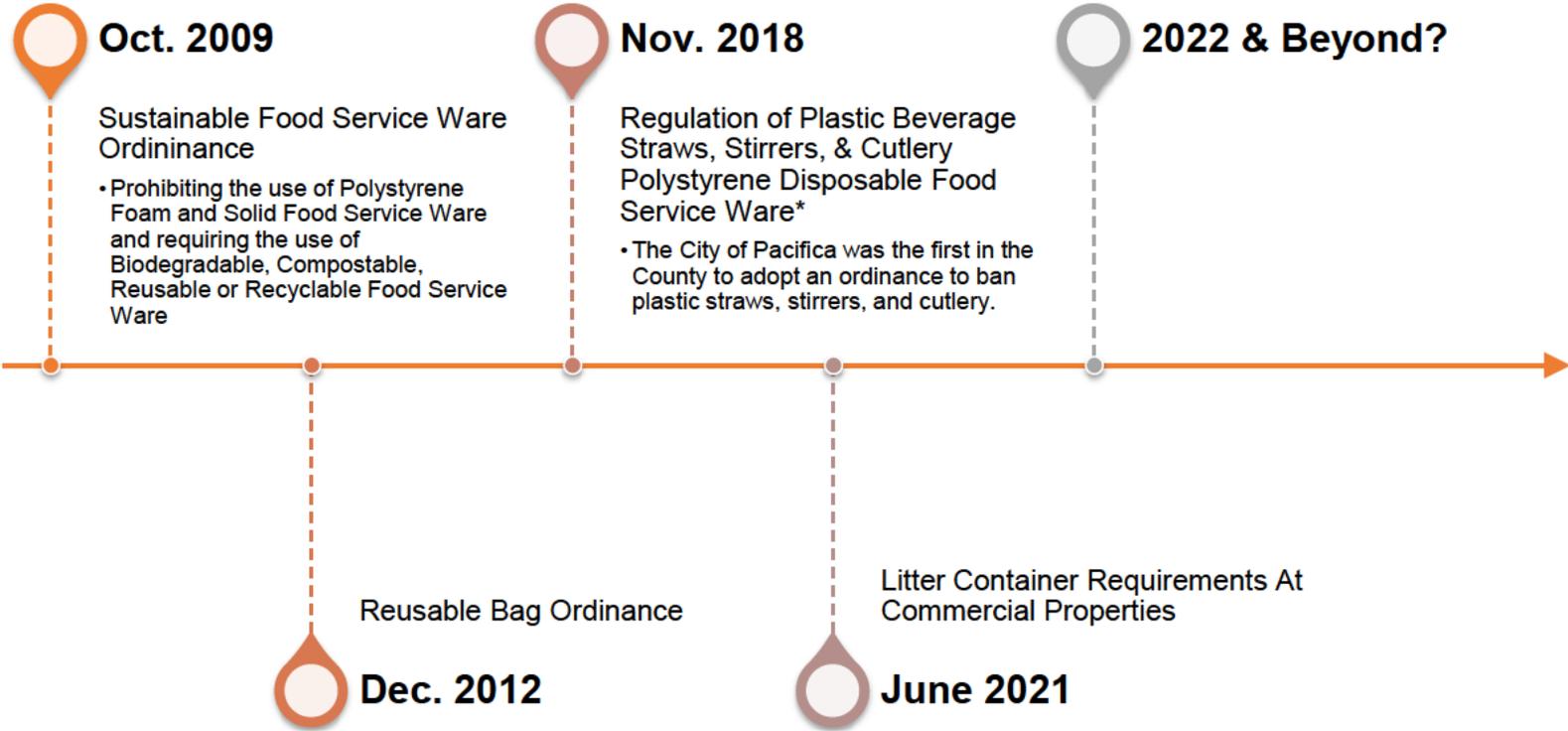
Pacifica Beach Coalition Cleanups By The Numbers 2021



Pacifica Sustainability Initiatives



© Pacifica Beach Coalition



Former Mayor Sue Beckmeyer at 2021 CCD Celebration shares information about the new Pacifica ordinance to reduce trash in our commercial spaces.

*Replaced Sustainable Food Service Ware Ordinance



SAN MATEO DISPOSABLE FOODWARE ORDINANCE



- **Who?** Food facilities providing prepared food to the public.
- **What?** Bans Disposable Single Use Plastics
 - **Conversion to compostable** (e.g., paper, sugarcane, wood, bamboo). Larger items to have little/no harmful fluorinated chemicals
 - **Accessories Only Upon Request:** Unbundled as separate individual units, or at a self-serve area and/or a dispenser (e.g., straws, utensils, stirrers, napkins, condiment packets)
 - **Online Take-out Food Delivery Services** to distribute accessories only if customers opt-in
- **When?** Start March 22, 2022
- **How?** Food facility education & enforcement by SMC OOS

Pacifica Brewery



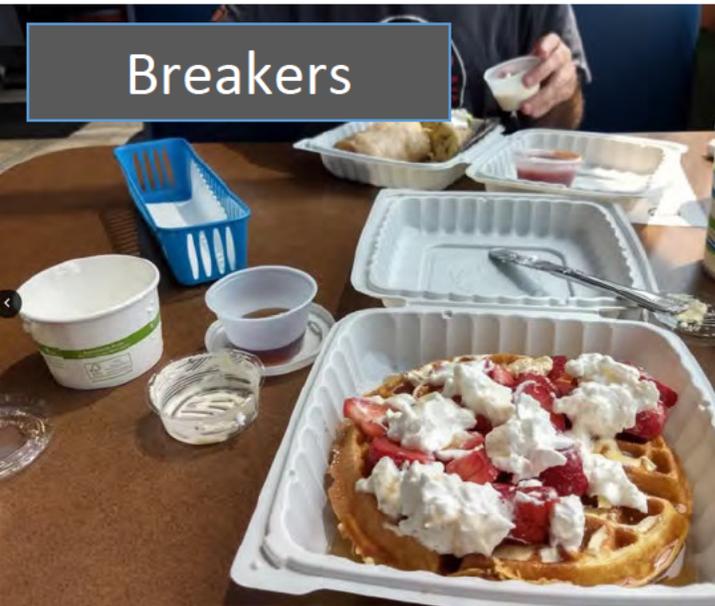
Beach Boba



Taco Bell

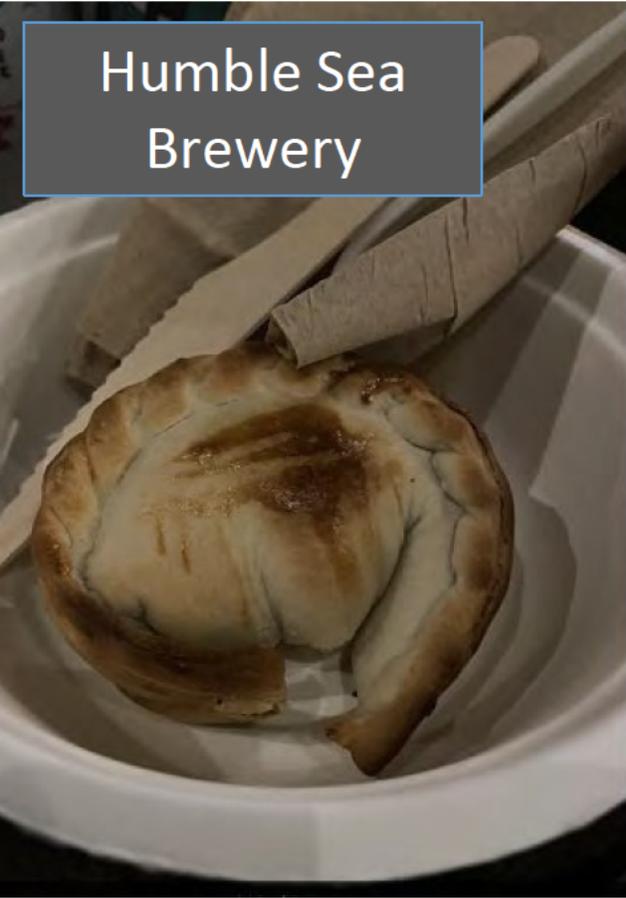


Breakers

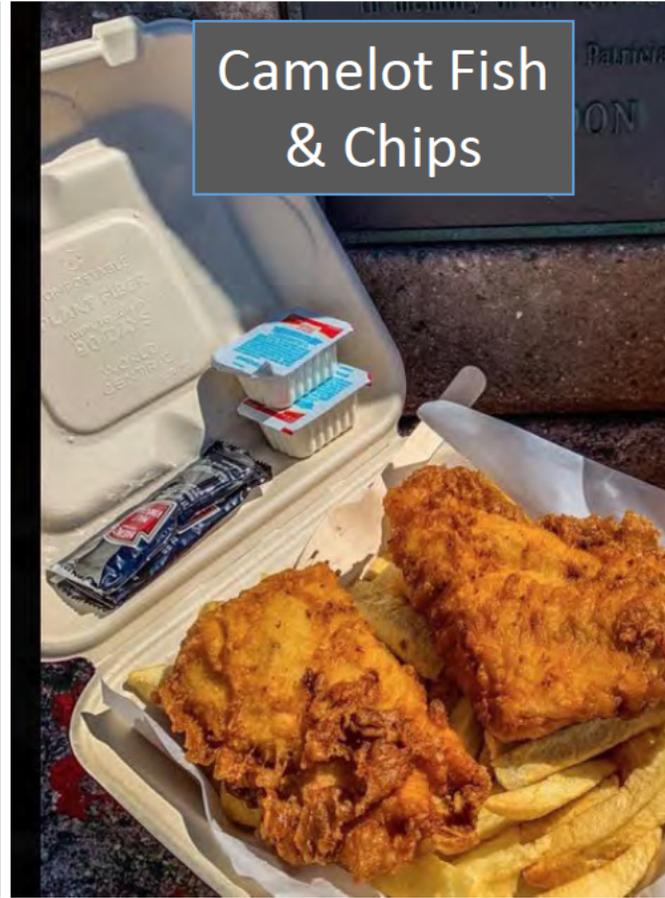


LET'S LOOK AT
PACIFICA RESTAURANTS

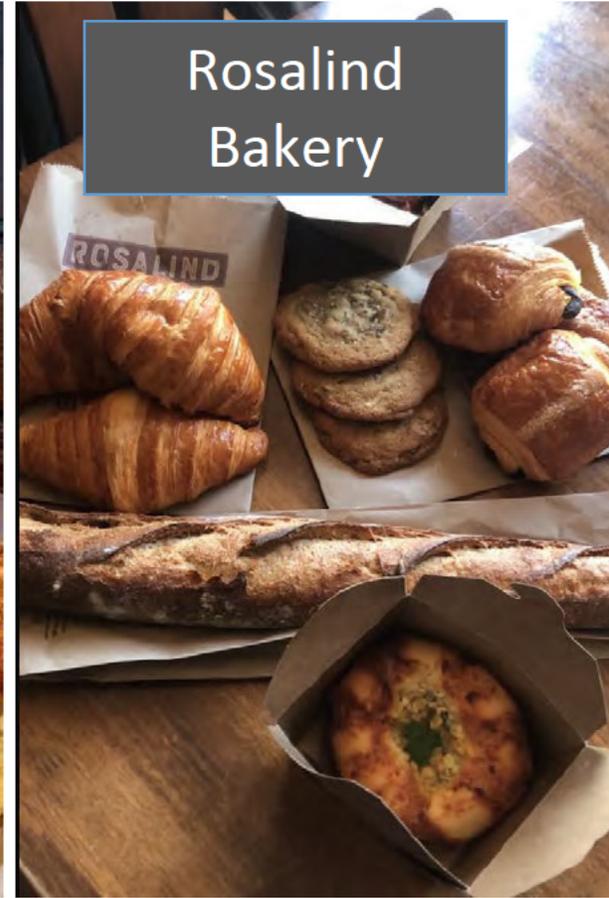
Humble Sea
Brewery



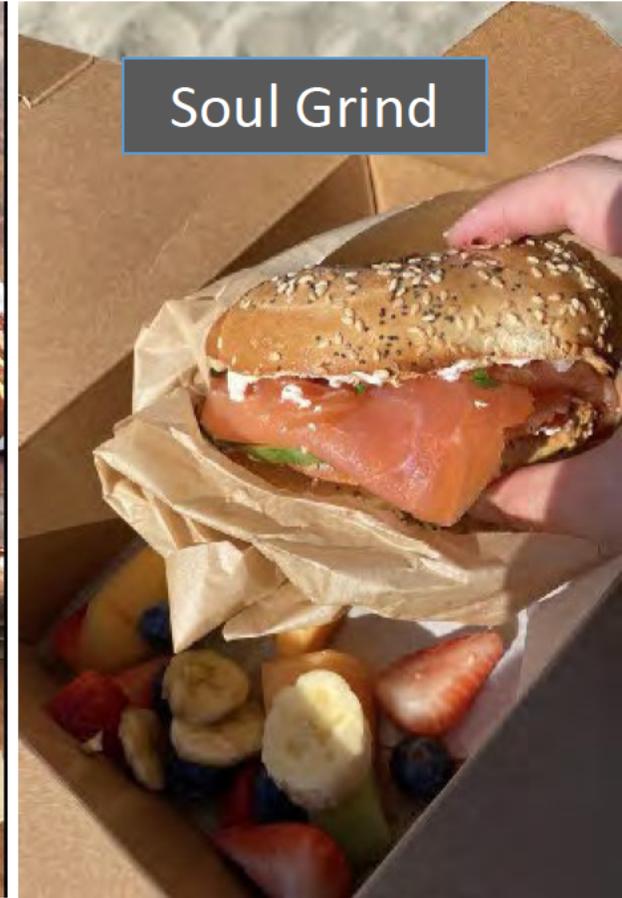
Camelot Fish
& Chips



Rosalind
Bakery



Soul Grind



PACIFICA RESTAURANTS:
COMPOSTABLES ALREADY IN USE

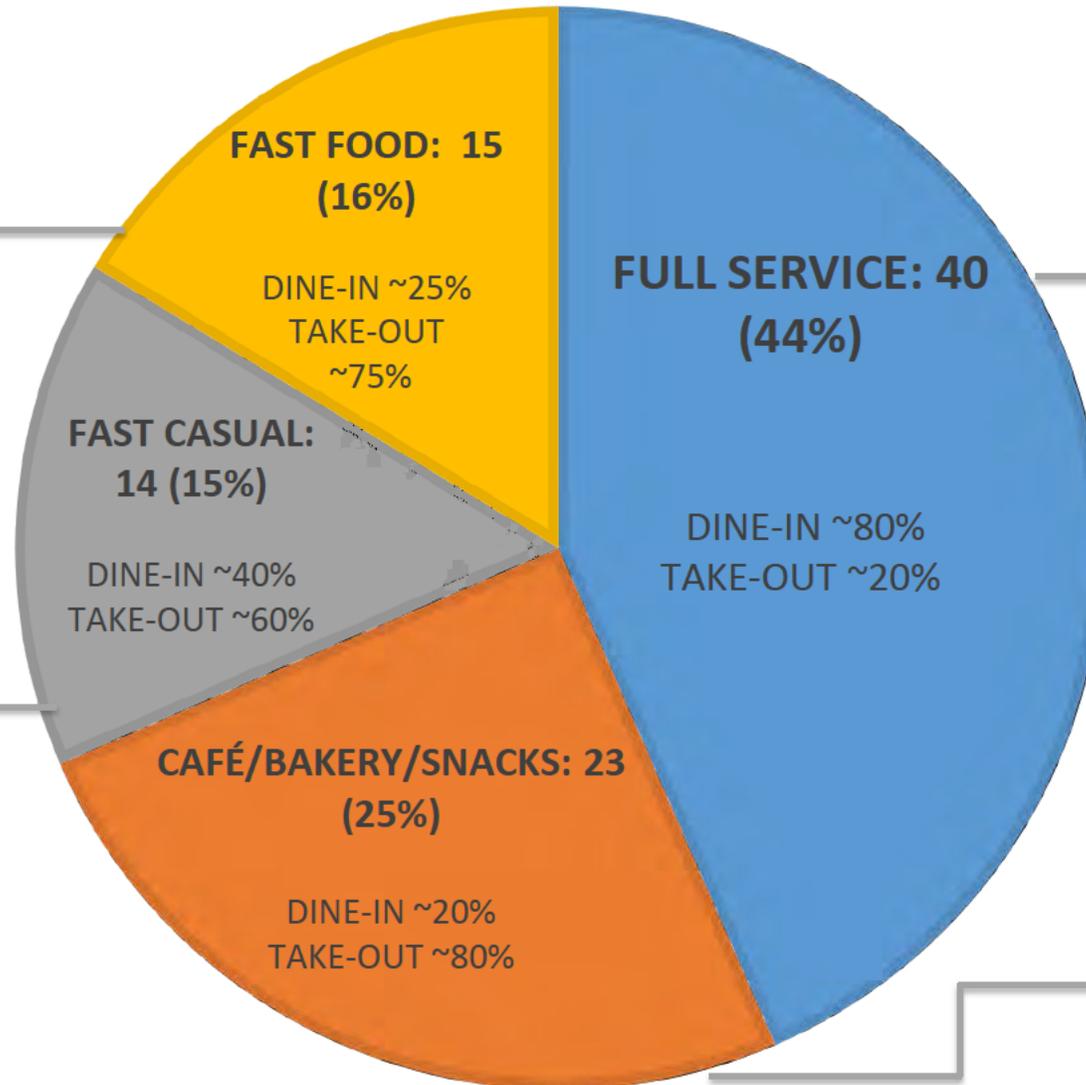
Pacifica Restaurants: Disposable Food Ware Use

All Disposables:

- **Dine In/Take Out:** Mix of Plastics/Food Wrappers

Mix Reusables/ Disposables:

- **Dine In:** Generally, Reusables, Some Plastics
- **Take Out:** Mix of Compostables/Plastics/Paper Food Wrappers



Mostly Reusables:

- **Dine In:** Reusables
- **Take Out:** Mix of Compostables/Plastics/Paper Food Wrappers

All Disposables:

- **Dine In/Take Out:** Mix of Plastics/Food Wrappers

Impacts of SMC Disposable Foodware Ordinance on:

Full Service 40 Restaurants

(80% dine -in, 20% take -out)

Nick's Seashore Restaurant



Vallemar Station



Chinese Food To-Go meal packaging:		Without Accessories	With Accessories
ITEM	COST	Post-Ordinance	Post-Ordinance
Plastic Bag	\$0.01	\$0.01	\$0.01
2 Paper Boxes	\$0.25	\$0.25	\$0.25
2 Large Plastic Clamshells	\$0.38	\$0.46	\$0.46
4 Condiment Packets	\$0.10	\$ -	\$0.10
6 Napkins	\$0.01	\$ -	\$0.01
Wooden Chopsticks	\$0.03	\$ -	\$0.03
Plastic Fork, Knife, Spoon	\$0.03	\$ -	\$0.09
Sauce Cup	\$0.02	\$0.04	\$0.04
Sauce Cup Lid	\$0.02	\$0.03	\$0.03
TOTAL COST: \$0.85		\$0.79	\$1.02

TRANSACTION COST DIFFERENCE: \$0.06 cost saving - (\$0.17) increase

RESTAURANT ANNUAL COST DIFFERENCE: \$229 cost savings

SECTOR ANNUAL COST DIFFERENCE: \$9,176 cost savings

ACCESSORIES UPON REQUEST

WASTE REDUCTION: 3,124,80 items

PLASTIC TO COMPOSTABLE

WASTE CONVERSION: 992,000 items

Assumptions: 100 transactions/day, open 310 days, 20% take out, 10% request accessories

Impacts of SMC Disposable Foodware Ordinance on:

Café/Bakery/Snacks

23 Restaurants

(20% dine -in, 80% take -out)



Mazzetti's Bakery

Beach Boba

Café Coffee To-Go meal packaging:	
ITEM	COST
16 oz. Hot Cup	\$0.06
Hot Cup Lid	\$0.04
Sleeve	\$0.03
Lid plug/stirrer	\$0.03
3 Sugar Packets	\$0.03
2 Creamers	\$0.08
TOTAL COST: \$0.27	

Without Accessories	With Accessories
Post-Ordinance	Post-Ordinance
\$0.08	\$ 0.08
\$0.06	\$ 0.06
\$0.03	\$ 0.03
\$ -	\$ 0.001
\$ -	\$ 0.03
\$ -	\$ 0.08
\$0.17	\$0.28

TRANSACTION COST DIFFERENCE: \$0.10 cost savings – (\$0.01) costs

RESTAURANT ANNUAL COST DIFFERENCE: \$5,169 cost savings

SECTOR ANNUAL COST DIFFERENCE: \$118,893 cost savings

ACCESSORIES UPON REQUEST
WASTE REDUCTION: 7,379,550 items

PLASTIC TO COMPOSTABLE
WASTE CONVERSION: 4,919,700 items

Assumptions: 230 transactions/day, open 310 days, 25% request accessories/condiments

Impacts of SMC Disposable Foodware Ordinance on:

Fast Food 15 Restaurants

(25% dine-in, 75% take-out)



Dinosaurs



Taco Bell

Assumptions: 250 transactions/day, open 365 days, 25% request accessories/condiments; Greek food represents 13% (2 non-chain rest.); Hamburger/Fries – 87% (13 sandwich, chain, pizza, taqueria)

Hamburger/Fries To-Go meal packaging:		Without Accessories	With Accessories
ITEM	COST	Post-Ordinance	Post-Ordinance
Plastic/Paper Bag	\$0.01	\$ 0.01	\$ 0.01
6 Napkins	\$0.01	\$ -	\$ 0.01
5 Condiment Packets	\$0.13	\$ -	\$ 0.13
8x8x3 Fiber Clamshell for Hamburger	\$0.23	\$ 0.23	\$ 0.23
6x6x3 Fiber Clamshell for Fries	\$0.13	\$ 0.23	\$ 0.23
16 oz. Cold Cup	\$0.05	\$ 0.10	\$ 0.10
Cold Cup Lid	\$0.01	\$ 0.03	\$ 0.03
Straws	\$0.01	\$ -	\$ 0.04
TOTAL COST: \$0.58		\$ 0.60	\$ 0.78

TRANSACTION COST DIFFERENCE: **(\$0.02) – (\$0.52)** cost increase

RESTAURANT ANNUAL COST DIFFERENCE: **(\$10,190)** cost increase
(\$5,931) – (\$37,869) range)

SECTOR ANNUAL COST DIFFERENCE: **(\$152,844)** cost increase

ACCESSORIES UPON REQUEST

WASTE REDUCTION: 11,771,250 items

PLASTIC TO COMPOSTABLE

WASTE CONVERSION 5,566,250 items

Major Conclusions of SMC Disposable Foodware Policy

Restaurant Sector	# of Restaurants	Sector %	Average Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Accessories Upon Request Waste Reduction (# items)	Plastic to Compostable Waste Conversion (# items)
Café/Bakery/Snack	23	25%	\$5,169	\$118,893	7,379,550	4,919,700
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All Restaurants	92	100%	(\$865)	(\$90,321)	24,016,560	13,895,950

Note: This is the *additional* costs or cost savings due to the ordinance, *not* the *total* cost of the disposable foodware.

Major Conclusions of SMC Disposable Foodware Policy

- Total annual COSTS to restaurant industry is **\$90,000**
- *BUT* each restaurant sector is impacted differently
- Full Service and Café/Bakery/Snacks **SAVE MONEY (\$128,000)** from reduced Accessories Upon Request
- **COSTS GROW (\$218,000)** for Fast Casual and Fast Food, averaging **\$5,000** per restaurant , since compostables cost more, despite accessories upon request reducing overall number of items
- **HUGE** cost and waste savings due to Accessories Upon Request, including **24 MILLION items** eliminated from waste



The Solution? Reusables!





\$\$ • Breakfast & Brunch, American (Traditional), Burgers
 145 Rockaway Beach Ave
 Pacifica, CA 94044

☆☆☆☆ 11/7/2021

The food is great, although fairly expensive for breakfast. Their irresponsible over-reliance on single use plastics is positively repulsive



Plastic to-go containers for everything

"Negative Feedback on the Use of Disposable Foodware for Indoor Dining"

K [Redacted] • Park Pacifica

Cheryl D. It's so disappointing and bad for the environment. We wanted to honor my late mom, today's her birthday and she loved [Redacted]; but we decided not to go there because they're using take out containers. It's so wasteful. When I dine in a restaurant, I expect to eat on plates and to use real utensils. I've been dining at restaurants in park let's throughout the pandemic and all of the restaurants are following COVID protocols and using real plates and silverware.

18 hr ago Like Reply Share 4

[Redacted] • De Solo / Montezuma **Author**

Kris I feel you too, I loved [Redacted]. [Redacted] was using real silver ware yesterday, but thats it. If you want more information regarding this, feel free to DM me. (edited)

10h Like Reply Share

K [Redacted] • Park Pacifica

Cheryl D. Thanks, we went to High Tide and had a yummy breakfast.

15 hr ago Like Reply Share 1

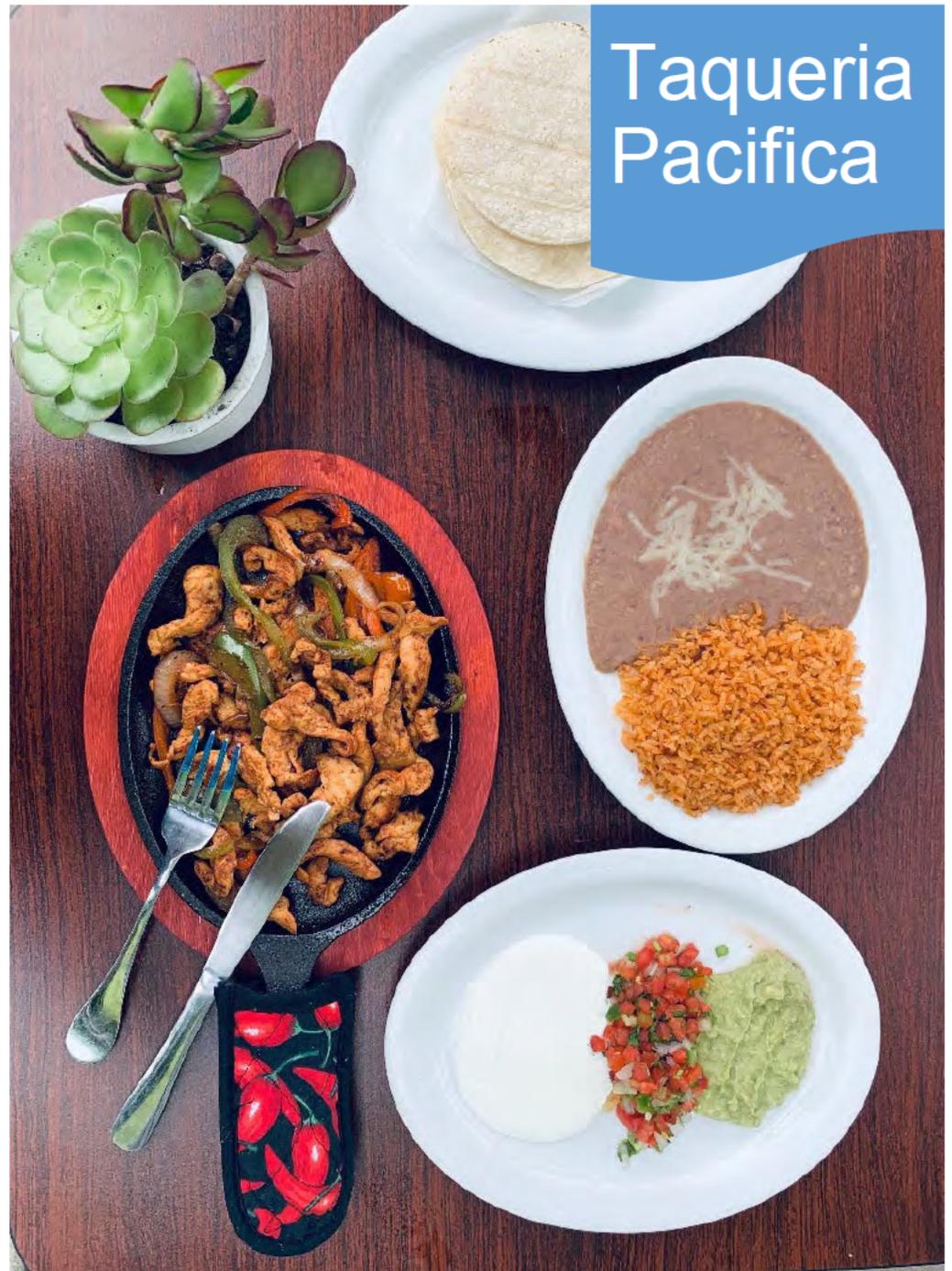
Reuse Rockstars
Pacifica



Plastic Free Future
Supported Pacifica
restaurants
switching to
reusables



Kenny's



Taqueria Pacifica

Raymond's





hightidecafecrepery
HIGH TIDE



agrapeinthefog
A Grape in the Fog



Recommended Policy Language for Reusable Foodware for On-Site Dining

- a. Food Facilities shall only serve Prepared Food for consumption on the premises using Reusable Food Service Ware, except that non-Reusable paper food wrappers, foil wrappers, paper napkins, straws and paper tray- and plate-liners shall be allowed for dining on the premises, so long as they meet the requirements of (insert section related to compostable requirement).
- b. Condiments, such as sauces, ketchup, or mustard, provided for on-site consumption must be served in Reusable containers.
- c. Consumption is considered on-premises if it takes place at tables and/or seating provided by the Food Facility, either on its own or in conjunction with other Food Facilities.
- d. This requirement does not prohibit a Food Facility from offering, upon a customer's request, non-Reusable Food Service Ware to take away leftover food after dining on the premises.
- e. Food Facilities subject to the requirements of subsection (a) that do not have onsite or off-site dishwashing capacity, or are unable to contract for services to wash, rinse, and sanitize Reusable Food Service Ware, in order to comply with applicable provisions of the California Retail Food Code (sections 113700 - 114437 of the California Health and Safety Code), may petition the City for a full or partial waiver for up to one year at a time if the owner or operator can demonstrate that application of the specified provisions of this Section would create undue hardship or practical difficulty for the Prepared Food Provider not generally applicable to other Prepared Food Providers in similar circumstances. Non-Reusable Food Service Ware used pursuant to a waiver obtained under this Section must comply with all requirements set forth in Section (insert compostable requirements section).
- f. During a public health emergency or natural disaster, the Town Manager or his or her designee may exempt Food Facilities from the provisions of this section for the immediate preservation of the public peace or health or safety, or in response to resulting labor shortages.

Soul Grind Coffee Roasters, Pacifica



Cities with Reuse Policies



CITY	Dine-In Reusables
Arcata	Passed
Berkeley	Passed
Culver City	Passed
Daly City	Passed
Fairfax	Passed
Half Moon Bay	Passed
Palm Springs	Passed
Redwood City	In Progress
San Anselmo	Passed
Santa Cruz	Passed
San Francisco	In Progress
Santa Rosa	Passed
Sebastopol	Passed
Vancouver	Passed
Watsonville	Passed
Taiwan (country)	Passed

Dine -in Reusables Fast Casual Case Study - Manila Eatery

- Two simple changes resulted in **\$4,693 in annual net-savings each year**
- 54,507 disposable single-use food ware items reduced each year
- 2,240 pounds of annual waste reduction
- Average Payback Period 1.3 Months

CASE STUDY: Manila Eatery



BUSINESS PROFILE

Name:
Manila Eatery

Business Type:
Fast Casual

Locations:
Colma, CA

On-site Dining:
35 seats

Take-out:
50%

Warewashing:
Mechanized dishwasher

Manila Eatery serves authentic Filipino cuisine, from classics like lumpia to their own family creations. The busy family-operated restaurant completes 100 transactions each day, firing up dishes that are fresh, full of flavor, with no added MSG. Regulars celebrate the friendly vibe — it feels like aunts and uncles are cooking for you.

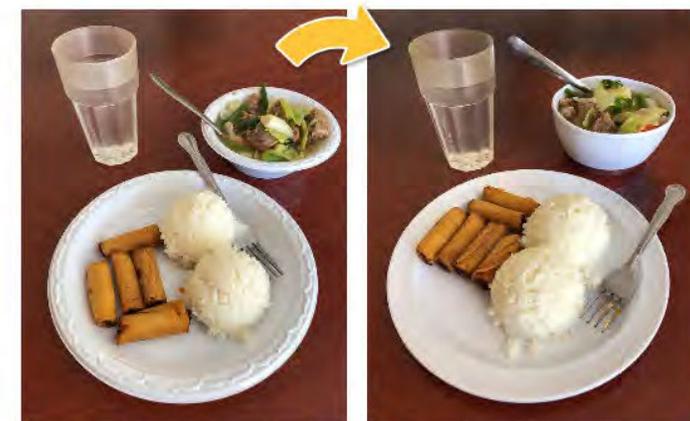
Packaging Practices prior to ReThink Disposable:

- Disposable plastic plates
- Two sizes of disposable plastic bowls
- Stainless steel utensils
- Durable plastic cups

Recommendations Implemented:

- Replace single-use plates with reusable plates
- Replace two types of single-use bowls with reusable bowls

With **ReThink Disposable's** support, Manila Eatery transformed into a 100% reusable restaurant for dine-in guests. Before participating in the source reduction program, this eatery used a mix of single-use and reusables for dine-in guests. After an initial investment of \$506 in durable plates and bowls, Manila Eatery eliminates the use of **54,507 pieces** of single-use plastic items, weighing **2,240 pounds**, every year and pockets **\$4,693 of annual net cost savings**.



*Before and After:
Single-use plates
and bowls were
replaced with
reusable items.*

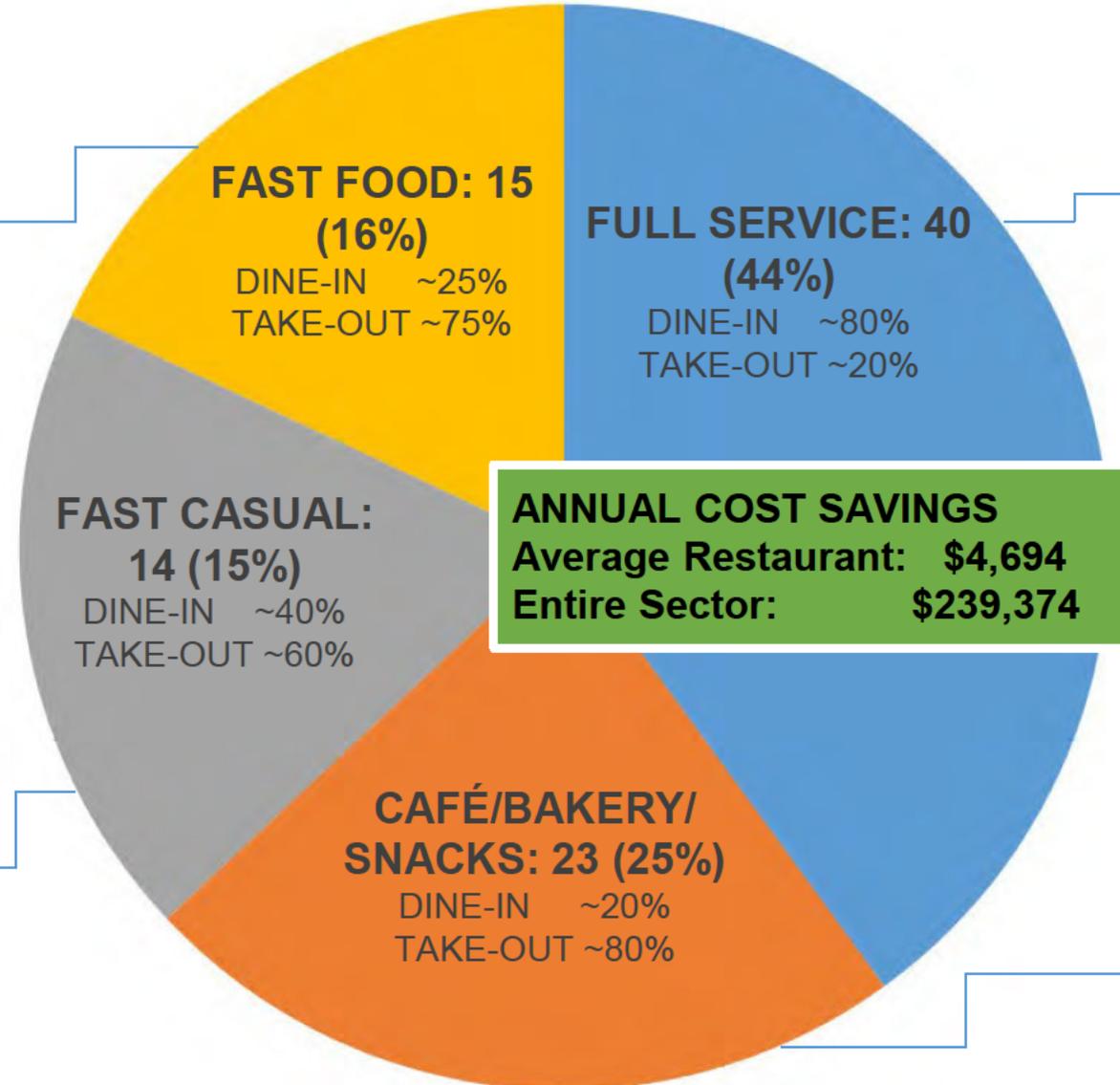
Pacifica Restaurants: Conversion to Dine-in Reusables Potential Cost Savings

All Disposables:
 • Dine In: Mix of Plastics/Food Wrappers

RESTAURANT : \$5,317 avg
 (\$678 - \$20,517 range)
SECTOR : \$74,438

Mix Reusables/Disposables
 • Dine In: Mostly

RESTAURANT : \$4,687 avg
 (\$416 - \$8,957 range)
SECTOR : \$65,611



Mostly Reusables:
 • Dine In: Reusables

All Disposables:
 • Dine In: Mix of Plastics/Food

RESTAURANT : \$4,319 avg
 (\$1,739 - \$6,898 range)
SECTOR : \$99,326

Pacifica Restaurants: Conversion to Dine-in Reusables Potential Waste Reduction

All Disposables:

- Dine In: Mix of Plastics/Food Wrappers

Items : 2,201,579
Lbs. Waste : 54,730

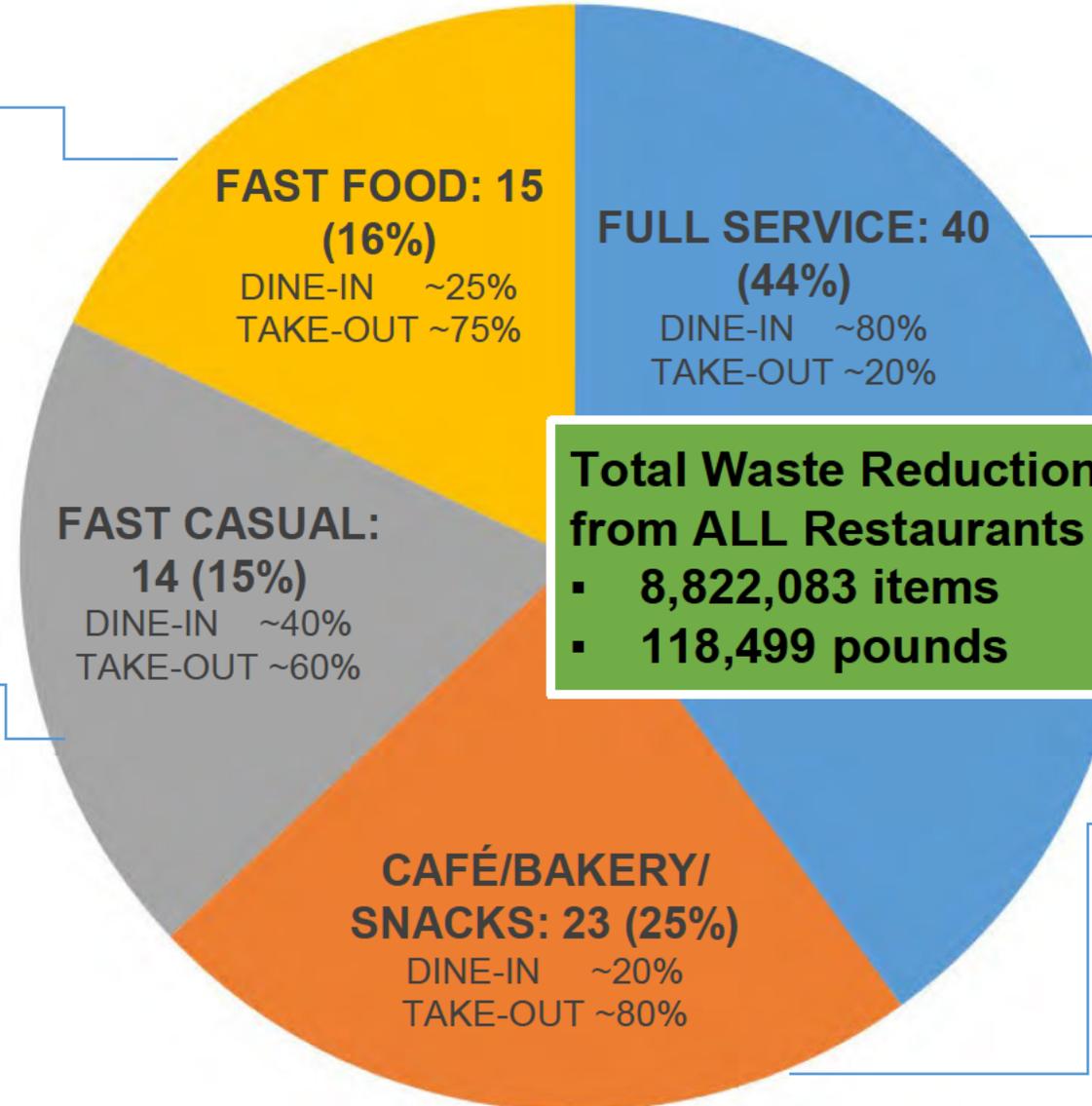
Mix Reusables /Disposables

- Dine In: Mostly Reusables, Some Plastics

Items : 3,580,801
Lbs. Waste : 27,027

Mostly Reusables:

- Dine In: Reusables



Total Waste Reduction from ALL Restaurants

- 8,822,083 items
- 118,499 pounds

All Disposables:

- Dine In: Mix of Plastics/Food Wrappers

Items : 3,039,703
Lbs. Waste : 36,743

Pacifica Restaurants: Total Costs of Disposable Foodware Use + Dine-In Reuse

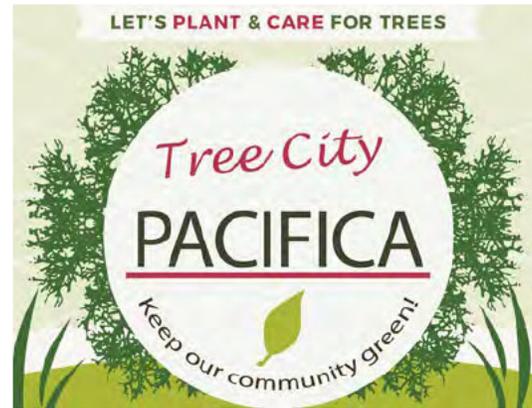
Restaurant Sector	Disposable Foodware Ordinance ONLY		Dine-In Reusables Policy ONLY		Disposable Foodware Ordinance + Dine-In Reusables Policy COMBINED	
	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings	Restaurant Costs / Cost Savings	Restaurant Sector Costs / Cost Savings
Café/Bakery/Snack	\$5,169	\$118,893	\$4,319	\$99,326	\$8,454	\$194,440
Fast Casual	(\$4,682)	(\$65,546)	\$4,687	\$65,611	\$5	\$65
Fast Food	(\$10,190)	(\$152,844)	\$5,317	\$74,438	(\$2,325)	(\$40,195)
Full Service	\$229	\$9,176	n/a	n/a	\$229	\$9,176
All Restaurants	(\$865)	(\$90,321)	\$4,694	\$239,374	\$1,604	\$163,485

Note: For the COMBINED Disposable Foodware Ordinance + Dine-In Reusables Policy, the Disposable Foodware Ordinance costs for ONLY take-out orders are included. These are: café/bakery/snack (80%), fast casual (60%), fast food (75%), and full service (20%).

Major Conclusions of SMC Disposable Foodware + Dine-In Reuse Policies

- Combined policies **SAVES MONEY** for total restaurant industry (**\$163,000**)
- 2 of 4 sectors –Café/Bakery/Snacks, Full Service **SAVE MONEY**
- 1 sector – Fast Casual breaks even
- Dine-In Reusables **SUBSTANTIALLY** save money (**\$239,000**)
- **HUGE** cost and waste savings due to Accessories Upon Request & Dine-In Reusables (**28 Million** disposable foodware items eliminated)

The mandatory reuse for onsite dining amendment has been endorsed by:



Pacifica Climate Committee

REUSE WINS

- Reduces waste and single-use
- Lower carbon emissions and water use
- **Saves \$\$\$**
- Improved diner and employee satisfaction
- Reduced litter prone packaging
- Business innovation and reuse models support local policies
- Reduces impact of migration of harmful chemicals from single use foodware



Addressing City Concerns & Alternative

- Enforcement
- Operational Changes for Restaurants
- Education & Outreach
- Alternative Action

Response to: Enforcement Concerns

- Many restaurants already using reusables for onsite dining (59%). Fast food (15 restaurants) and café/bakeries/snacks (23 restaurants) generally do not. This is a small
- Prior experience with Plastic Free Future
- Plastic Free Future available to support to support dine-in reusables amendment
- Soft enforcement – Following past ordinance approaches, county or city hotline for complaints can send response to Plastic Free Future to provide education and technical assistance

Response to: Operational Changes for Restaurants

- Many restaurants already using reuses for onsite dining (59%)
- Plastic Free Future experience (see Starbucks example)
- Rethink Disposable experience
- Average costs: \$300/restaurant available through San Mateo County & Plastic Free Restaurants
- Waiver – for insurmountable changes.



Response to: Education & Outreach

- Many restaurants already using reuses for onsite dining (59%)
- SMC OOS will do basic education & outreach *that includes discussion of reusables*
- Plastic Free Future has had prior experience
- Plastic Free Future available to support dine-in reusables amendment education & outreach

Response to: Alternative Action

“Add a provision that food service facilities are highly encouraged to provide reusable food service ware in place of single-use disposable food service ware for dine-in customers. In this instance, San Mateo County will provide only education for this provision.”

- Learning from other jurisdictions: “highly encouraged” will result in no change
- Mandatory language provides “the teeth” is required for change
- Soft enforcement with external support

Supplemental Information

Dine -in Reusables Fast Casual Case Study - El Metate

- **\$8,957 in annual savings** after payback period
- 493,711 disposable items were reduced per year
- 3,651 pounds of annual waste reduction

CASE STUDY: El Metate Restaurant



BUSINESS PROFILE

Name: El Metate Restaurant
Business Type: Fast Casual Mexican Restaurant
Location: San Francisco, CA
On-site dining: 40 seats
Take-out: Yes
Ware washing: Installed after project completion
Employees: 14

El Metate is a Mexican Restaurant that conducts about 80 transactions per day, 40% of which are dine-in orders. Customers place orders at the cashier counter and the food is made to order. Customers receive their food from the order pick-up counter and dine-in customers sit in the dining room or at outside tables.



Trash, compost and recycling containers in the dining room were replaced with bus tub racks.

Packaging Practices prior to Rethink Disposable:

- Disposable cutlery was used for dine-in customers
- Two sizes of disposable sauce cups with lids were used at the salsa bar



Dine-in customers at El Metate were served meals on ceramic plates and bowls but were provided disposable cutlery and portion cups from a self-serve station. Fernando, the owner of El Metate, had initially purchased reusable cutlery but never put it out due to a flu pandemic several years ago. In addition to being concerned about the safety of using reusable cutlery, he was also worried about potential loss of reusables mistakenly thrown in the trash by customers.

Recommendations Implemented:

- Replaced disposable cutlery for reusable cutlery for dine-in
- Replaced disposable sauce cups with reusable for dine-in

El Metate replaced dining room trash, compost, and recycling containers with bus tub racks. Customer bussing of tables prevents loss of reusable food service ware items like sauce cups and cutlery. Staff morale declined due to additional dishes needing to be washed, prompting the owner to purchase a new efficient dishwasher. The owner noticed an increase of dine-in customers due in part to the cashiers more diligently asking each customer if their order is for dine-in or take-out, in addition to the make-over of the dining room and the use of metal cutlery and ceramic sauce cups to improve the customer dining experience.



Metal cutlery improved the customer dining experience.



Disposable sauce cups were replaced with reusable ceramic ones.

Francisco Hernandez, owner: "No matter how you see it, the *Rethink Disposable* program is beneficial to everyone."

Dine-In Reusables Fast Food Case Study - Subway

- **\$7,458 in total annual net cost savings** (\$678 * 11 Restaurants)
- 301,125 disposable items reduced per year
- 4,367 pounds of annual waste reduction

CASE STUDY: Subway



BUSINESS PROFILE

Name: Subway
Business Type: Deli Sandwiches
Location: Stores #49822, #27048, #30816, #32950, #30524, #13219, #49111, #48043, #25615, #2861, #4133
Average On-site Dining Seats: 20
Take-out: Yes
Warewashing: No mechanized dishwashing
Average Employees: 7

Eleven Subway stores participated in Clean Water Action's ReThink Disposable program in the cities of Palo Alto, Alameda, and Fremont, California. Subway is a franchised chain with numerous locations throughout the world and the San Francisco Bay Area.

Packaging Practices prior to ReThink Disposable:

- Single-Use Plastic Cups Used for Water
- Single-Use Plastic Utensils Individually Wrapped in Plastic*

**plastic utensil wrapping differs by location*

Recommendations Implemented:

- Reusable Cups for Water
- Silverware for Dine-in



As a result of implementing ReThink Disposable's recommended practices, the 11 Subway restaurants are collectively preventing the use of **305,125** items and **4,367** pounds of waste annually, while earning an ongoing net cost savings of **\$7,458** each year from the avoided disposable foodware purchases. Clean Water Action tracked and quantified the data from five of the 11 locations to establish a per-store average reduction from transitioning to reusable water cups and silverware for dine-in customers.

Individual Subway stores invested between \$120 to \$300 to purchase reusable cups for water (about four dozen) and silverware sets (about two dozen forks, knives, and spoons) for customers who need utensils while dining in.

As a franchise, Subway's existing practice to use reusable sandwich baskets reduces waste by eliminating the need for additional sandwich wrap or

disposable plates. ReThink Disposable recommends that Subway implement our recommendations to further reduce packaging and waste by replacing disposable water cups and utensils with reusable foodware at every store.

A common concern when implementing the use of reusable cups and silverware is that the stores will suffer too much loss of product. However, with proper signage and training, Subway stores can mitigate loss and reduce the need to replace product. The stores that participated in ReThink Disposable reported no significant loss of product. Some loss is to be expected in any food operation with reusable ware, and after the ongoing cost of restocking cups and silverware was considered, all the locations showed an annual net cost savings.



Disposable Cups and Utensils Before Changes

Reusable Cup and Silverware After Changes

For every dollar invested in reusable foodware items, the average Subway location will reduce 2.5 pounds of waste, preventing the use of 172 single-use disposable items.

Dine-In Reusables Fast Food Case Study - J&J Hawaiian BBQ

- **\$20,517 in annual savings after payback period**
- **9,722 pounds of annual waste reduction**
- **311,313 disposable items reduced per year**

CASE STUDY: J & J Hawaiian BBQ



BUSINESS PROFILE

Name: J & J Hawaiian BBQ
Business Type: Fast Casual
Location: Cupertino, CA
On-site dining: 52 seats
Take-out: Yes
Transactions per day: 70
Ware washing: Hand washing in a three sink system
Employees: 2

J & J Hawaiian BBQ is a family owned and run business serving Hawaiian classics along with burgers and fries. They are known for their sizable portions and customers tend to be college students and locals. About 30% of their customers dine-in with seating capacity for 52 people. The service and atmosphere is casual and fast-paced.



New reusable tumblers for water.

The owners used to drive to the store every day to purchase cases of disposable food boxes, and went through about 182,400 food boxes per year. Now they only have to shop for disposables 1-2 times per week which saves time for other tasks. Before ReThink Disposable, the owners took out the trash up to seven times per day, now they take it out only once. This gives them more time with their customers rather than emptying the trash, and the dining room looks and feels better. They are spending more time washing dishes, yet have not had to hire additional staff. The well organized busing area with good signage signs helps direct customers where to place their reusables. Despite fears that customers would throwaway the new reusable food ware, loss has not been an issue.



Amy Eng, Owner: "We like participating in ReThink Disposable, #1 to save money, #2 because it is good for the environment and the next generation, and it is a benefit to all of us."

Packaging Practices prior to ReThink Disposable:

- Single-use disposables used for everything with no reusable options
- All dine-in and take-out customers served in to-go boxes
- Orders often require three to-go boxes per order
- Disposable cups used for soda and water

Recommendations Implemented:

- Reusable plates, bowls, and baskets replaced disposable foodware
- Reusable cutlery and chopsticks replaced disposables
- Reusable soda and water cups replaced disposables
- Reusable ramekins replaced disposable ramekins and lids for dine-in customers

After implementing the **ReThink Disposable** recommendations, employees default to reusables for dine-in customers that are served with a combination of the new reusable food and beverage ware. **ReThink Disposable** recommendations also help this business minimize the amount of disposable packaging that walks out the door with take-out orders. Feedback from customers shows they love the new dining experience.

The owners used to drive to the store every day to purchase cases of disposable food boxes, and went through about 182,400 food boxes per year. Now they only have to shop for disposables 1-2 times per week which saves time for other tasks. Before ReThink Disposable, the owners took out the trash up to seven times per day, now they take it out only once. This gives them more time with their customers rather than emptying the trash, and the dining room looks and feels better. They are



Signage created for the busing station.

Comparison of Plastics vs Compostables

Item	Cost Comparison		Price difference b/t Fiber+PFAS and Traditional Plastic
	Fiber + PFAS free	Traditional Plastic	
Hot cup (8oz)	\$0.05	0.03 for lined hot cup	N/A
Hot cup (16oz)	\$0.08	0.05 (non BPI paper)	\$0.03
Cold cup (12 oz)	\$0.07	\$0.05	\$0.02
Cold cup (16 oz)	\$0.10-0.13 (BPI paper)	\$0.06	\$0.02-0.05
Small clamshell (6x6x3)	~\$0.23 (BPI wheatstalk)	\$0.10	\$0.13
Medium clamshell (8x8x3, 1 compartment)	~\$0.23 (BPI PFAS free alternative) \$0.30 (BPI sugarcane w/PLA coating) ~\$0.44 (BPI wheatstraw w/PLA coating)	\$0.18	\$0.05-0.26
Bowl (12 oz)	\$0.14 (BPI sugarcane w/PLA lining) \$0.10-0.18 (BPI paper w/PLA lining)	\$0.04	\$0.06-0.14
stirrer / lid plug	\$0.01 for 10 (wooden stirrer)	\$0.01 for 10	\$0.04
Wrapped FKS Set	-	0.04 (medium weight) 0.09 (heavy weight)	
Fork	\$0.03 (Wood)	\$0.02	\$0.01
Spoon	\$0.03 (Wood)	\$0.02	\$0.01
Knife	\$0.03 (Wood)	\$0.02	\$0.01
Straws	\$0.04 (Paper)	\$0.01	\$0.03
Hot cup lid	\$0.06	\$0.02	\$0.04
Cold cup lid	\$0.03	\$0.03	\$0
Sauce Cup	\$0.05-\$0.06 (sugarcane)	\$0.01	\$0.04-\$0.05
Sauce Cup	0.04 (BPI plant fiber)	\$0.01	\$0.03
Sauce cup lid	0.05 (sugarcane)	\$0.01	\$0.04
Sauce cup lid	0.03 (BPI plant fiber)	\$0.01	\$0.02
Sleeve	\$0.03	N/A	
Plastic Bag	\$0.19	\$0.01-\$0.02	\$0.18-\$0.19

ReThink Disposable and Technical Assistance

ReThink Disposable receives funding from cities to go into restaurants and give them technical assistance to move away from disposables onsite and comply with policies banning PFAS and switching to compostables.

- Upfront investment on reusables are under \$300 per business and the payback on investment happens within a few months
- \$3,000-\$21,000 per year cost savings depending on size
- Schools can save \$30k per year
- About 30% of restaurants say yes to technical assistance - almost 100% of the time if you have direct meeting
- Funding can come from stormwater, public works, zero waste, add back supervisor, trash fees, public education TMDL

Here's the link to their case studies

<http://www.rethinkdisposable.org/businesses>

