

Carlos Davidson, March 17, 2019

Pacifica City Council Election Dominated by Huge Out-of-Town Real Estate Spending

Out-of-town real estate industry sources made huge financial contributions to the 2018 Pacifica City Council race. According to public records, altogether the out-of-town real estate industry spent \$115,000 on the council race, including \$56,000 on an unprecedented smear campaign against council member John Keener. In addition, the industry spent \$20,000 to elect Sue Beckmeyer, \$20,000 to elect Mike O'Neill, and \$18,000 to elect Vicky Flores. By contrast, Mary Bier received no real estate industry funding. The California Association of Realtors spent \$57,568 on the council race, swamping all other contributors combined. The National Association of Realtors contributed \$36,639, and out-of-town realtors donated \$18,750. When the money spent to elect a council candidate comes mostly from out of town and one special interest, it raises concerns that the council member is beholden to those funders and may represent their interests rather than those of local constituents.

Particularly disturbing was the California Association of Realtors (CAR) spending almost \$50,000 on a vicious and baseless smear campaign against Keener. Council member Sue Vaterlaus sits on the board of directors of CAR and has claimed publicly that she knew nothing about the smear campaign. It is unclear if CAR would engage in such dirty politics in the home district of one of their own directors without informing them ahead of time.

Finances in the past two council races were unusual. Typically, council candidates raise around \$15,000 to \$20,000 each, and usually the overwhelming majority of funds are local and come from many different sources.

Out of Town Real Estate Industry Contributions to the 2018 Pacifica City Council Race

Candidate	Source	Amount	Percent of total
Mary Bier	Out of Town Real Estate	\$0	0%
	Other	\$34,636	100%
	Total	\$34,636	
Michael O'Neill	Out of Town Real Estate	\$20,063	57%
	Other	\$14,845	43%
	Total	\$34,908	
Sue Beckmeyer	Out of Town Real Estate	\$20,543	50%
	Other	\$20,327	50%
	Total	\$40,870	
Vickie Flores	Out of Town Real Estate	\$18,213	66%
	Other	\$9,540	34%
	Total	\$27,753	

Total direct and indirect contributions from all sources to candidate O’Neill were \$35,000, Beckmeyer \$40,000, Flores almost \$28,000, and Bier almost \$35,000. The National Association of Realtors paid for online pop-up advertising and mailers for Beckmeyer, O’Neill, and Flores. The California Association of Realtors paid for the bulk of the anti-Keener smear campaign, along with \$9,000 from San Mateo realtor Tom Thompson

Independent expenditures are when an outside group spends money for or against a candidate without any coordination with the candidate. Independent expenditures are subject to fewer limits than direct contributions. In the case of independent expenditures in support of a candidate, the claim of no coordination with the candidate is often questionable. In the 2018 council election, BACPAC, a political action committee originally set up by the Pacifica Chamber of Commerce, claimed that it made independent expenditures for a meet-and-greet with candidates O’Neill, Beckmeyer, and Flores. How do you have a meet-and-greet without coordinating with the candidates? The Fair Political Practices Commission looked into that question and made BACPAC report the meet-and-greet funding as direct contributions to the candidates.

Real Estate Industry Donations by Source

<u>Source</u>	<u>Amount</u>
National Association of Realtors	\$36,639
California Assoc. of Realtors	\$57,568
California Apartment Assoc. PAC	\$2,000
Out-of-town realtors, brokers, etc	\$18,750
In-town realtors	\$4,799
 Total	 \$119,756

While O’Neill, Beckmeyer, and Flores received the bulk of their funding from out of town (69 percent, 59 percent, and 73 percent, respectively), Bier received 78 percent of her funding from in-town donors. The majority of Bier’s funding came from almost 200 local contributions under \$500, while the three realtor-backed candidates raised less than a quarter of their funds from local contributions under \$500, and actually had few small local contributors. Finances for council candidates John Keener and Adonica Shaw Porter were not included in this analysis, but similar to Bier, they likely received no out-of-town real estate funding. Both Keener and Shaw Porter ran smaller campaigns than the other four candidates. Keener raised a total of \$10,703 and Shaw Porter \$9,581.

Local Donations Less Than Five Hundred Dollars

<u>Candidate</u>	<u>Number of donation</u>	<u>Sum</u>	<u>Percent of total</u>
Mary Bier	198	\$18,657	54%
Mike O'Neill	37	\$5,347	15%
Sue Beckmeyer	69	\$9,604	23%
Vickie Flores	20	\$5,347	19%

This analysis was prepared using official campaign financial reports. These reports are available from the Pacifica City Clerk's office, and in redacted form on the City of Pacifica election forms webpage.