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# A VIEW FROM HARBOR STREET

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## Capacity for Survival

By David Buckingham, City Manager



There is an understandable tension in Morro Bay. On the one hand, we want to remain a sort of funky, friendly, authentic California coastal town. On the other, we want to be a City that provides comprehensive fire and police services, maintains our parks, delivers great recreation programs, and actually paves our streets.

Both of these goals are possible. Without some measured revitalization and economic development, though, the City will not have the resources to deliver the services we think our community expects. In short, without some thoughtful, moderate change, our streets will remain a mess, the quality of our parks could deteriorate, and we will struggle to keep our police and fire delivering great service.

The basic economics of the problem are pretty simple. The City receives about \$12 million in general revenues each year. Unfortunately, we require about \$15 million in annual revenues to provide basic services at an adequate level.

Annually we are short at least \$1 million for streets; \$1 million for maintenance and eventual replacement of City facilities (public restrooms in our parks, police station, Community Center, etc); and a further \$1 million for at least one additional police officer, a fireman, maintenance of public spaces and infrastructure and other basic city responsibilities.

To close this \$3 million gap, some measured revitalization is required. Revitalization does not have to mean massive redevelopment - no one wants Morro Bay to become Santa Barbara or Carmel. We want to be Morro Bay.

What is revitalization? The word means to give new life or vitality to. Or, give an entity a capacity for survival. But what might revitalization look like in Morro Bay?

Consider our downtown. There are a number of completely vacant lots in the downtown core. Revitalization is not tearing down and redeveloping blocks of our downtown. What about constructing appropriate buildings on those empty lots? Our zoning allows two-story "mixed-use" structures downtown. Instead of an empty lot, what about a building with resident-serving retail on the first floor, and office space on the second floor? There are small, green, tech companies that want to keep their jobs in Morro Bay but have no place to grow. Revitalization

could mean keeping those businesses, and jobs, in our community without sacrificing the small-town atmosphere we love.

The non-operating power plant, which once provided substantial revenue to the City, is another area primed for revitalization – even redevelopment. Most people would like to see something there in 10 years besides an abandoned industrial facility. The cost to demolish and remediate that site is enormous. Whatever is there in the future will need to generate revenue for whatever entity undertakes the project. Another benefit to reuse of that 100 acres should be significant revenue to the City – to further close that \$3M gap.

I regularly hear good questions about taxes, and why the City requires additional revenue despite all the taxes we already pay. The truth is that little of our taxes come to the City of Morro Bay. The City receives no direct portion of any of our federal or state income taxes. The vast majority of our property taxes go to the county government and schools – the City receives less than 10 percent of property taxes paid by our residents. Sales tax? 80 percent of the sales tax we pay in Morro Bay goes to the State. Less than 20 percent comes to the City to provide basic services.

I spent a couple hours considering revitalization in Morro Bay with a group of concerned folks last week. One, a third-generation Morro Bay resident and business owner noted that without some revitalization and economic development, the community first incorporated because of the power plant may no longer be able to support people who want to raise families in this unique city. Revitalization and measured economic development are crucial to help Morro Bay remain a viable city that provides adequate services to the community.

That is a realistic viewpoint. Like the rest of us, that resident wants Morro Bay to keep our small-town character – but also recognizes that some measured revitalization, call it change, is essential. What do you think? I'd love to hear from you too. Send an email with your thoughts to me at [dbuckingham@morrobayca.gov](mailto:dbuckingham@morrobayca.gov).

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