

## **Mayor Dennis Donohue shares thoughts on “Buy Local” campaign**

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I want to applaud the Chamber's current efforts to promote buying goods and services locally. The Chamber recently requested the Salinas City Council approve a Buy Local ordinance. We unanimously did so in order to encourage more local buying by the City.

Those efforts have now expanded to include a citywide Shop Salinas initiative that was announced on November 12<sup>th</sup>. The Buy Local...Keep Salinas Growing Strong campaign encourages keeping our dollars at home. The slowdown in both the national and local economy will affect Salinas residents in many ways. Sales taxes are an integral part of the Salinas City budget and city services will be affected as budgets are adjusted.

Recently, the Salinas City Council received a report from the Buxton Group that documented the extent of sales tax leakage from Salinas to outlying areas. That is a historical problem that requires strategy and time. City officials are working to attract more retail opportunities to Salinas to help expand our tax base. Dialogue continues with development interests in the Alisal, the Downtown area, and local regional shopping centers to consider how to attract new retailers. We are doing the right things to prepare for future success.

Nobody is going to attempt to “sugarcoat” the issues of a soft economy, a difficult credit market, etc. But if you are going to buy a car or a big screen TV or just running to Target and you aren't shopping in Salinas...it's a good time to think about the value of your dollars being spent locally. This is something we can all do today...and it matters!

Sales Tax revenues contribute approximately a third of General Fund Revenues. That pool of dollars funds police, fire, library, parks, recreation, public works and administrative services. The current decline in sales tax and future projections indicate a decline in sales tax revenue that will exceed millions of dollars over the next few years.

The City is addressing those revenue challenges, as the public would expect us to do. But the unavoidable reality is at a time we need to expand public safety resources we are looking at a declining revenue base. And frankly, I have met few people while in office who don't expect even more from the City with respect to the basic services we provide.

Everybody recognizes spending patterns will likely be more conservative in the near future. But if you are making purchases small or large...that decision impacts Salinas and our general quality of life. The more dollars kept at home...the more local jobs are retained...the more likely we are able to hire additional police officers, pave streets, keep parks clean, etc.

The City and the Chamber have continued their close association to identify long-term economic opportunities for the purposes of diversifying our local economy and creating new jobs. Salinas will benefit from the economic analysis offered by Joel Kotkin this month as he concludes his work in Salinas. It is clear we have significant opportunities based on our natural resources, workforce and geography. But for now...let's support our local merchants by Buying Local...and Keep Salinas Growing Strong!