

## **Incorporation May 26, 1959**

It's safe to say that Del Mar became an incorporated city in order to take control of planning and development. The county seat was a long way from Del Mar, down on Pacific Coast Highway. It was hard to attend meetings of the planning commission, and decisions were being made that were adverse to the best interests of the Del Mar community, in terms of intensity of development. High density zoning predominated in the area west of Camino Del Mar. Apartment buildings could be constructed at a density of one unit per thousand square feet of land. The height limit was 42 feet, and there was a developing tendency to grant variances for height, such as happened in La Jolla at 939 Coast Boulevard.

The proposal by the state highway people to build I-5 through the middle of town contributed mightily to the desire of Del Mar residents to be self-governing. Del Mar was coming of age as a community of permanent residents, influenced by the industrial development just beginning on Torrey Pines Mesa. General Atomics had just been built as a research arm of General Dynamics Corporation. Land had been donated by General Dynamics to the Regents of the University of California for the construction of a new university.

Even though Del Mar was a small town, with barely enough people to qualify the community for incorporation, the light could be seen at the end of the tunnel. It was time to take charge.

It was a hotly contested election in the spring of 1959. Many voters didn't believe that Del Mar had the fiscal capacity to succeed as an independent city. All of the services that were being provided by the county government would have to be provided by the new local government. Some monies would accrue from the state, and real estate taxes and sales taxes would benefit the city. But there were bigger problems.

John Gray, for instance, was convinced that Del Mar could never afford to acquire a source of water. At the time of incorporation, Del Mar was still receiving water from the City of San Diego. Distribution was accomplished by the privately owned Del Mar Utility Company, which had been formed by the original developers of Del Mar. Del Mar Utility Company enjoyed a very beneficial contract with San Diego. Del Mar could draw as much as 700 acre-feet per year at a very preferential rate, which was guaranteed in perpetuity. The contract included a drought clause, however, and any time San Diego declared drought conditions, the valve to Del Mar could be closed.

Most of the debate swirled around financial issues, such as the lack of a tax base. Citizens did not want their real estate taxes raised to provide services they were getting from the county for free.

As I look back over the past 46 years, I wonder if John Gray wasn't right. The original annual budget for Del Mar was \$78,000. Today it is over \$16 million, and the City Manager is predicting the failure of local government unless significant additional revenues are located.

Del Mar would not have survived without the largesse of the State Legislature, which granted Del Mar a limited charter, allowing the new city to levy an admissions tax at the racetrack. The initial tax was set at 10 cents for each admission. Even that nominal sum was claimed by the Del Mar Turf Club to be a deterrent to guests at the track. But Del Mar could not have survived without it.

The concept for Del Mar government was for it to be a contract city. The City of Lakewood in Los Angeles County had devised a system for incorporation that involved contracting for services with the parent county. By contracting, the city was able to keep employment down, and to pay for only the services rendered. Budgeting was simple. To reduce costs, just reduce the level of services in the contract, when it came up for renewal.

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