From:

Christine Davis <chris@carlsbad-village.com>

Sent:

Tuesday, January 30, 2024 7:16 AM

To:

City Clerk

Cc:

Scott Chadwick; Melanie Burkholder

Subject:

Date 1/20/24 CA / CC Agenda Item #2 - Economic Development Strategic Platter J ACM J DCM (3) \_

**Attachments:** 

Agenda Item #2\_Economic Development Strategic Plan FY 2024-25.pdf

All Receive - Agenda Item # 2

For the Information of the:

COMMITTEE

Thank you so much for allowing me to submit a letter for the record prior to today's Economic Development Subcommittee special meeting. This is for Agenda Item #2 - Economic Development Strategic Plan.

I am hoping that both Mayor Blackburn and Mayor Pro Tem Bhat-Patel will have a chance to read it before the item is presented this morning at the subcommittee meeting.

Thank you!

**CHRISTINE DAVIS** | Executive Director

Carlsbad Village Association

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Zachary Markham Chairman



Heidi Willes Vice Chair

January 30, 2024

Kenneth Reyes

Treasurer

Re: Economic Development Strategic Plan – FY 2024-25 Economic Development Strategic Options

Jenna Dotson Secretary

Dear Honorable Mayor Blackburn and Mayor Pro Tem Priya Bhat-Patel,

Fumi Matsubara Board Member

Samantha Dean Fauce Board Member

> Chanel Bennett Board Member

Carrie Moore Board Member

Anna Howard Board Member

Rosemary Eshelman Board Member

The Carlsbad Village
Association (CVA) is a
non-profit organization
whose core purpose is to
lead the continual
improvement of Carlsbad
Village by promoting and
enhancing its business,
cultural, and community
vitality, making it a premier
destination.

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www.carlsbad-village.com info@carlsbad-village.com On April 7, 2020 the Carlsbad City Council formed the Ad Hoc City Council Economic Revitalization Subcommittee to provide direction on response, recovery, and revitalization programs during the COVID-19 pandemic. It was so successful and so impactful that on May 11, 2021, the City Council passed a motion to form a standing Economic Development Subcommittee. I want to thank the City Council for its commitment to our business community and say that has been both a pleasure and an honor to serve alongside the Carlsbad Chamber of Commerce and Visit Carlsbad on both subcommittees for nearly four years, working directly with David Graham and Matt Sanford, the economic development engine behind our business recovery and growth.

Just one year ago, the City Council went on to approve the Economic Development Strategic Plan, a significant roadmap designed to guide the city's economic development activities for five years. Small business owners were encouraged to know that the City of Carlsbad prioritized supporting small businesses, startups and entrepreneurs. As a business owner myself in Carlsbad, and now the Executive Director of the Carlsbad Village Association, it felt like small businesses were finally getting the public recognition and support they so needed. The five-year plan and its leadership provided encouragement to the businesses in Carlsbad.

However, here we are just one year later, feeling like the wind has been taken out of our sails with a recommendation to cut a key position July 1, 2024, to stave off an anticipated budget deficit in fiscal year 2028/29. I have spoken with business leaders in Carlsbad, including Bret Schanzenbach, President & CEO of the Carlsbad Chamber of Commerce, and Kristianne Kurner, the Executive Artistic Director of New Village Arts, and others, and we all agree that the possibility of losing David Graham, the head of the city's Innovation & Economic Development Department, is of great concern.

Economic Vitality is one of the city council's five strategic goals. Economic Vitality can only be achieved with a strong commitment to economic development. As it stands now, Carlsbad's Economic Development Department employs only 1.5 people and is less than half the size of nearby cities. At a time when we should double down on our future and bolster our economic vitality, and even grow our Economic Development Department to make our businesses stronger, we should not be considering the elimination of a key leader.

The council memorandum asks that staff incorporate opportunities to do business more efficiently. I do not know how economic development can happen more efficiently without the experience and bold solutions that David Graham brings to the table. The memorandum also said it will focus on spending areas that can be reduced with "little to no impact" on the community. Eliminating David Graham's

position as the leader of economic development for the city will most definitely have a negative impact on the business community. Not only will the department be understaffed, but it will lose years of innovation, years of strategic implementation, and years of meeting goals that have directly contributed to a more successful business community. David's expertise in economic development is exactly what the City of Carlsbad needs to weather future uncertain times just as he helped us survive the pandemic and weather its lasting effects on our small businesses.

Among other things, the current economic development team brought to fruition the Carlsbad Business Loan Program that was instrumental in keeping businesses open during and after the pandemic; a program that has had zero defaults. They also helped create the innovative Gift Carlsbad program that infused much-needed cash directly into the cash registers of participating businesses when they needed it the most. They helped to significantly expand the city's creative placemaking banner program, and elevated Carlsbad to a No. 1 ranking in the 2023 Digital Cities Survey (the third year that Carlsbad placed in the top 10 cities.) And they developed the city's Economic Development Strategic Plan that is just starting its second of five years. This and so much more has all been for the betterment of our business community and our city, and it has been led by David Graham.

Mayor Blackburn and Mayor Pro Tem Bhat-Patel, this team is dedicated to keeping Economic Vitality a strategic goal for the City of Carlsbad. Our business community has never been stronger. I am respectfully asking that this subcommittee continue to show strong support for Carlsbad's business community by recommending to the full council that this critical economic development position not be considered for elimination. We still have so much work to do together.

Thank you for your time and consideration,

**Christine Davis** 

**Executive Director**