



From the Desk of the CEO

Happy New Year, CALED Members, and Friends!

This year has kicked off with a flurry of activity for us and for many of you. Thank you to those of you who took time to speak with our consultant to give your feedback on what is impacting your economic development efforts. Below is a snapshot of what we heard.

Top Issues Affecting Economic Development Efforts

- Capacity (45%), with 35% citing staffing, 15% citing funding, and 13% citing time;
- COVID impacts (15%); and
- Labor shortages (10%) and Infrastructure (10%).
- Challenges in attracting business (8%);
- Challenges related to small size/rural location (7%);
- Impact/cost of compliance with regulations, laws, and requirements (5%); and
- Lack of housing (4%).

Other issues cited included:

- Cost of development (8%);

If you are interested in learning more about the results or have a different perspective, please contact any of the CALED team.

Additionally, as we see the launch of the State’s Community Economic Resilience Fund (CERF) program and more organizations and individuals are engaging in discussions around the economy, inclusivity, resilience, and diversity, we continue to advocate on your behalf—emphasizing what economic development is, how it is implemented, and that there is a significant group of local economic developers in California whose expertise could help further the program. In our feedback to the State, we specifically noted:

"Many cities and counties have economic development plans crafted with input from all stakeholders in inclusive and transparent public processes. These entities have experience that can inform and jump-start CERF efforts and provide expertise in deploying/managing ARPA funds. We encourage CERF to actively engage and partner with these entities to leverage their work, experience, and resources to advance shared goals identified by regional plans."

We expect this year will be a busy one for economic development programs and policy and are committed to being a relevant and reliable voice for you. Some of our current priorities include:

- Ensure improved coordination between state, nonprofits, and local governments on economic development grants such as CERF,
- Pursue a fix to the concerns raised about the application of the Surplus Land Act and impacts on local economic development, and
- Look for opportunities for continued improvement of California’s tax increment financing tools.

As always, we are here to serve you and will keep monitoring the landscape for issues and opportunities that impact your ability to deliver economic development outcomes to your community. If there is anything specific you would like to bring to our attention, please do not hesitate to reach out.

Thank you and wishing you a great 2022!