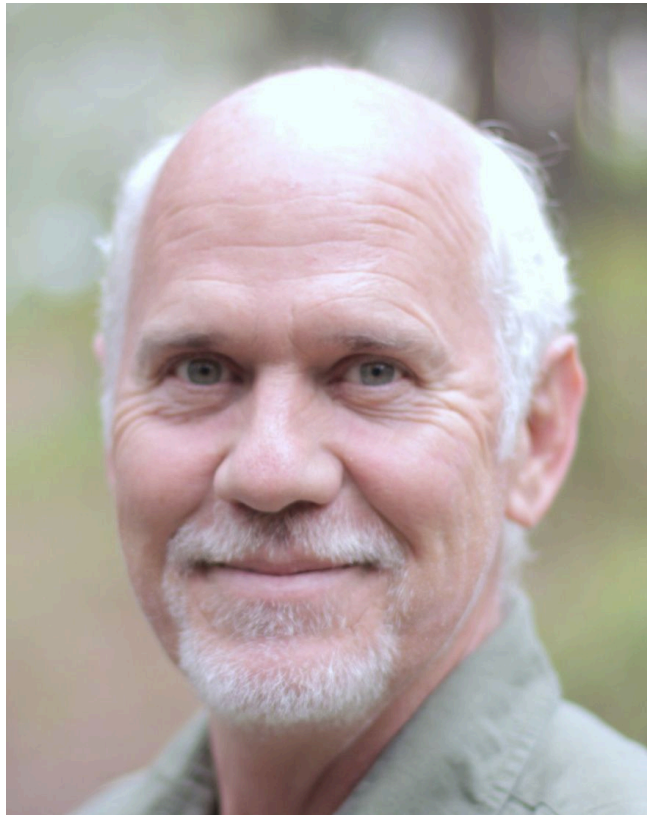


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## In My View: Upward Spiral or Doom Loop?

April 16, 2023



I attended an economic development summit a few months ago that focused on economic benefits that the proposed Performing Arts Center will bring to our community.

At this meeting, Alec Dompke, a rural economic development advisor with UC Davis Cooperative Extension ([addompka@ucanr.edu](mailto:addompka@ucanr.edu)), described a community development phenomenon called an “upward spiral.” The concept is basically that success fuels more success in an upward spiral.

Mr. Dompka spoke about the upward spiral of community capital. The seven types of “Community Capital” are Built, Social, Human, Financial, Cultural, Political, and Natural. These are our community assets. He illustrated the sequence of actions and reactions that will create an upward spiral.

“The Performing Arts Center (PAC) uses existing capitals to start the process of bringing in financial capital. Financial capital creates built capital and human capital as skills and the PAC are built. Political, social, and cultural capitals grow with governance training, community events and cultural exhibitions. Human and financial capitals increase with ticket sales and “creative class” individuals.”

My interpretation: Providing top notch entertainment in a state-of-the-art venue will bring more travelers to our community, who will spend money at local businesses. This increased financial capital enables businesses to expand and workers to earn a better wage.

The influx of cash into our community raises the economy and the tax base, which will pay for more civic improvements that make our community a more attractive place to visit and live. This leads to an upward spiral with even more visitors, businesses, jobs, and money.

### Harbor Propulsion

I had pondered the notion of an upward spiral prior to attending this forum. I've been observing the accelerating progress the Harbor District is making to fund major infrastructure improvements.

Last year, the Harbor secured approval of a grant for nearly \$7.4 million to replace the failing sea wall and adjacent parking area and to add electric hoists and EV charging infrastructure. This grant requires 20 percent match funding from the grantee.

The Harbor District has also been awarded a \$321,000 grant to prepare the technical studies required for the sea wall project. This new grant can be used to match the larger grant.

More recently the Harbor District has been recommended for two different grants from the Coastal Conservancy. A grant for \$1 million will help to pay for the preliminary costs for replacing the Citizens Dock, including design, and permitting. This can also be counted as a match for other grants.

A second grant pending from the Coastal Conservancy will provide \$450,000 to design, permit, and construct permanent bathrooms and showers on Anchor Way near South Beach. This will make the beach more welcoming to residents and visitors. A well maintained, scenic harbor is a major community asset.

The harbor would not be gaining momentum without the inflow of grant funding. The Harbor District is tapped into this funding because they made the strategic investment to hire a professional grant writer.

There is an upward spiral building at the harbor as one funding source feeds into the other. Success is providing propulsion to more success.

### Economic Resiliency

Another example of our community coming together to create an economic updraft is the collaborative \$10 million grant application that was submitted in February by the Harbor District on behalf of our community. This was a cooperative effort with many local partners who were able to quickly mobilize to submit projects that will improve our regional economy.

Preliminary feedback on our proposal has been positive, though funding is not guaranteed. Reviewers have noted that we submitted the only proposal in our region that truly is a regional proposal. They suggested that our proposal may be used as a model for other rural areas. This is how our proposal was pitched.

The Community Economic Resiliency Fund (CERF) has \$50 million to fund pilot projects. The Del Norte proposal emphasized the value of a rural pilot and demonstrated that \$10 million will make a bigger impact in a smaller community.

Whether or not this pilot grant is funded, this community coalition needs to stay together to prepare for Phase 3 of the CERF program when \$450 million will be available to fund regional economic resiliency projects. We will continue to be more competitive if we work together effectively as a community.

### Doom Loop

The extreme opposite of an upward spiral has been called a doom loop. This was described in a recent story in the San Francisco Chronicle, Can San Francisco dodge a 'doom loop'? (3/30/23)

“Doom loop (noun) - A scenario in which one negative development causes another negative development, which then makes the first problem worse. A vicious cycle.

This is how San Francisco could die. Interconnected forces trap the city in economic free fall. Workers remain primarily remote. Office spaces sit empty. Businesses shutter.

Mass transit is sharply reduced or even bankrupt, making it harder for low and middle income wage workers who enable restaurants and small business to operate, causing major budget shortfalls from declining tax revenue that imperil numerous city services, triggering mass layoffs of city workers and shredding the social safety net, all of which causes more people to leave.”

We must avoid this scenario.

### Progress Inspires

#### Progress

There is an excitement and enthusiasm that builds when people see progress or even the hope of progress. Success leads to more success. Not every project meets all its goals. Not every grant is awarded. But every positive step in the right direction fuels the upward spiral for our community.

“Shoot for the stars and if you happen to miss, shoot for the moon instead.”

### Astronaut Neil Armstrong

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