

CLT Alliance expands, revamps economic development strategy as staff veterans depart



*Danny Chavez is the Chief Business Recruitment Officer for the Charlotte Regional Business Alliance.
Melissa Key/CBJ*



By Erik Spanberg – Managing Editor, Charlotte Business Journal – April 7, 2022

Three years ago, the Charlotte Chamber and the Charlotte Regional Partnership merged in a move aimed at reducing confusion over recruiting responsibilities and improving economic development tactics.

Transitioning to a combined organization — the Charlotte Regional Business Alliance — and two years of a pandemic slowed those efforts. Danny Chavez, hired last October as chief business recruitment officer, vowed during a recent interview at CLT Alliance headquarters to complete an overhaul of the organization’s economic development process and strategy later this year.

Chavez's early moves include successfully lobbying to expand the economic development group to eight people from six while adopting what he described as a "consultative" approach to help the city of Charlotte, Mecklenburg County, and 14 surrounding counties bring in more companies and jobs.

CLT Alliance promotes the area to site-selection firms and others, generates business leads for county and city economic development groups, and works with counties and cities in some cases as a liaison in negotiations with prospects.

Some of those duties are the same as what the chamber and partnership did but consolidated into one organization. And in other cases, the structure differs from the past, most notably with Charlotte-specific prospects, where city government's economic development team takes the lead in recruiting — not the CLT Alliance. Prior to the merger, the chamber ran recruiting for Charlotte-specific companies and projects.

Referring to the new approach, Chavez told me, "It's important because there's different levels, right? Economies of scale. The city of Charlotte, Mecklenburg County, their economy of scale is going after office development, high-rise office, things of that nature.

"It doesn't apply to all of our different members within our region. So, what works for them? Is it the life-sciences sector in Cabarrus County? Is it being able to start looking at other counties within our region, to have an office presence for cybersecurity companies or other different types of campus-style developments? It's really being able to put that into an individualized plan and then having the expertise to go out and source those leads."

Though CLT Alliance has declined comment on the matter, sources close to the talks have told *CBJ* in recent months that CLT Alliance has taken the lead in recruiting the Atlantic Coast Conference headquarters, in part because potential sites extend beyond the city limits and into adjacent counties. In other words, the ACC offers one example of the organization's new, multi-faceted economic development approach.

Change has become a constant for CLT Alliance and economic development of late. During the past 18 months, five members of the economic development team have left.

The departees — some of whom pre-date Chavez's hiring — include Sven Gerzer, Steven Pearce, and Marvin Price. Gerzer was vice president of economic development for Europe, India, and North America; he was with the chamber/CLT Alliance for nine years before leaving in September 2021. Pearce, former senior vice president of business recruitment, and Price, former vice president of economic recruitment, spent, respectively, five and six years combined with the regional partnership/CLT Alliance. Price left in November 2020 while Pearce exited last summer.

Last month, Eileen Cai and Kati Hynes left CLT Alliance after lengthy tenures that included being named among the nation's top 50 economic developers by Consultant Connect, a distinction

they shared with Price. (In his previous job in Texas, Chavez was named to Consultant Connect's top 50, too.)

Cai, former vice president of business recruitment for Asia and North America, helped land the East Coast headquarters of health insurance giant Centene Corp. (NYSE: CNC), a \$1 billion project that includes 3,200 jobs, and the North American headquarters of electric vehicle company Arrival (NASDAQ: ARVL). According to a CLT Alliance profile published in December 2021, Cai recruited 145 companies to the area with combined investment of \$1.9 billion and 12,200 jobs. She was at the predecessor chamber and CLT Alliance for 12 ½ years.

Hynes spent 22 years at the chamber and CLT Alliance, where she was, most recently, vice president of business recruitment. Her recruiting and expansion portfolio includes Honeywell International Inc. (NASDAQ: HON), Brighthouse Financial Inc. (NASDAQ: BAF), AvidXchange Holdings Inc. (NASDAQ: AVIDX), and JELD-WEN Holding Inc. (NYSE: JELD).

CLT Alliance's economic development team now consists of Chavez, Carson, and Eduardo Venegas, the newly hired manager of international and domestic recruitment. Three more new hires are arriving soon, with two additional jobs yet to be filled. Chavez said interest has been high for all the jobs, with 150 applicants to date for the various filled and unfilled positions.

A CLT Alliance spokesperson, in response to *CBJ's* follow-up questions about changes within economic development, said in an emailed response, "It is our practice not to comment on personnel matters. That said, we have seen a lot of movement and departures from a talented recruitment team in the last year, and that is the nature of this business. We continue to build toward becoming a best-in-class organization in service to the entire Charlotte region."

The lone holdover since Chavez arrived is Gretchen Carson, whose current title is director of business recruitment. Carson joined CLT Alliance in August 2021.

Chavez, during a half-hour interview with *CBJ*, was soft-spoken but intense. He emphasized what people involved in his hiring by CLT Alliance have cited: an overarching interest in data-driven, tech-friendly recruiting methods. In his last job, recruiting for the McKinney Economic Development Corporation in suburban Dallas-Fort Worth, Chavez created a web-based innovation recruiting fund that proved successful for wooing companies to the area.

"Danny is a superstar, he comes with a terrific résumé," site-selection executive John Boyd told *CBJ*. His firm, The Boyd Company, is based in Boca Raton, Florida, and often does business in North Carolina. "He enjoys a great reputation in the industry, and that position was a highly coveted one given the enormous success that North Carolina has had with economic development and the Charlotte brand."

Boyd pointed to Chavez's youth — he's 31 — as a plus. Chavez is young enough that his LinkedIn profile still includes starter jobs at Sunglass Hut and Kay Jewelers. He went on to rapidly build the résumé that attracted the interest of CLT Alliance but, as Boyd pointed out, he

is a peer to the Millennials flocking here and understands what they and their employers are seeking.

Chavez has spent much of his time in his new role meeting with economic development agency executives and other recruiters in two-state, 15-county region that CLT Alliance encompasses. Executives on the ground in each community have the best knowledge of their own strengths and weaknesses as well as assets such as real estate and industry compatibility.

“What we want to help with is how can we be more competitive, again, putting that regional approach to having aspirational goals and also knowing what they don’t want,” Chavez said. “And that’s something that is important when it comes down to decision-makers and location consultants, because they want to know where their different types of clients are going to be welcome into that community.”

Tracy Dodson, head of economic development at the city of Charlotte, and Scott Millar, president of the Catawba Economic Development Corporation, were both heavily involved in the search that led to Chavez’s hiring by CLT Alliance. And they represent much different areas, one an urban hub, the other an exurb.

Chavez is “a super-intelligent, go-getter,” Millar told me. “We’re very hopeful the Alliance can focus on lead-generation marketing. He’s assembling a team of folks ... I think he’s heading in that direction.” Dodson likes that Chavez is “not traditional” in his approach to economic development. Economic development can be an insular sector but the cities and regions that get ahead will have to adapt, she added.

Chavez sought the job here after spending the early part of his career in Texas because, he said, Charlotte is a “Tier 2 city with Tier 1 assets.” As examples, he listed the hub airport, growing population, skilled workforce, and what he and others are hoping will be an expanding light rail and transit network.

With those assets in mind, Dodson said she believes the new CLT Alliance economic development chief understands his primary job.

And that is? “The need we all have for the Alliance to increase lead-generation for the region,” she said.