

All Receive - Agenda Item # 9  
For the Information of the:  
CITY COUNCIL  
Date 9/1/20 CA  CC   
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## Council Memorandum

Sept. 1, 2020

**To:** Honorable Mayor Hall and Members of the City Council  
**From:** David Graham, Chief Innovation Officer  
**Via:** Geoff Patnoe, Assistant City Manager *GP*  
**Re:** **Additional Materials Related to Staff Report Item No. 9 - Sponsorship of the Gift Carlsbad Shop Local Program**

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This memorandum provides additional information regarding the Gift Carlsbad shop local program (program) and the digital platform that has been selected by the administrators as the marketplace for the program.

The City Council will be considering the sponsorship of the program developed in conjunction with the Carlsbad Chamber of Commerce (Chamber), Carlsbad Village Association (CVA), and Visit Carlsbad. The program is administered by the Chamber in collaboration with CVA and Visit Carlsbad. Additional information regarding the program is provided below.

If the item is approved, the Chamber will invoice the city for funds raised and spent to conduct the program. City staff will review the invoice and any associated information regarding funds raised and spent for the program and then pay that invoice or subsequent invoices up to a total of the \$50,000. Updates regarding the program will be provided to the City Council during the regular COVID-19 Actions and Expenditures report.

The Chamber has contracted with Yiftee, a provider of e-gift cards and digital promotion for businesses. Yiftee will operate a white labeled digital marketplace where customers can purchase gift cards to businesses participating in the program. Upon purchase of a gift card to a specific business on the marketplace, a bonus gift card is also issued. Both cards can only be used at the business for which it was purchased.

Yiftee was selected after other digital platforms were evaluated by the Chamber, CVA, and Visit Carlsbad. Yiftee operates gift card programs that are used by communities and businesses across the country. Chambers, cities, downtown associations, main streets, and private businesses use these cards for regular purchases, and employee and customer rewards. The gift card marketplace that Yiftee provides allows any Carlsbad business to participate quickly and easily. A business can sign up, and when a gift card customer purchases a card, the revenue goes directly to the business. This is an added benefit for the business because they don't have to wait until a gift card customer uses the card to accrue the revenue. Gift card programs that are usable at

