

POLICY WATCH – October 2017

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NBLC sends its condolences to all who lost a loved one in the devastating fires and our deepest condolences to all who lost property, especially their homes. With the fires almost extinguished, we begin to try to understand how the recovery will occur. Please see the articles below that puts our disaster in perspective with other national disasters and gives some more understanding of what needs to be done. We will need to work collectively, like never before, to get our region back to social, environmental and economic health. But there is no doubt that the people of the North Bay are up to that task!

There are four big challenges in our recovery: the first is the acute lack of housing in the region; second, is the shortage of labor and skills mismatch of the workforce which will worsen in the fire's aftermath; third, is getting the school system functional; and fourth, is bringing the tourists back to Wine Country. Please see the articles below on addressing those challenges.

Also in this issue, we also give you the last call for tickets to the Leaders of the North Bay Awards luncheon on November 3rd, remind you to vote on November 7th and share some of the amazing ways that members of NBLC are leading the way in helping with the fire relief efforts.

Best,



Cynthia

Getting a Perspective on the Fires' Aftermath

It is hard to imagine that 2017 has been tied for being the worst year for disasters in the United States. But in [16 Billion-Dollar Disasters Have Impacted the U.S. This Year, Tying an All-Time Record, Thanks to the California Wildfires](#) by Linda Lam, ([Link](#)) we learn that is the case. We tie with 2011 for that record.

Lam states, "California state insurance commissioner Dave Jones said preliminary estimates of insured losses from the California wildfires had exceeded \$1 billion, making it the 16th billion-dollar weather disaster in the nation so far in 2017."

For the North Bay fires, Case Logic estimated losses of \$65 billion so far. In Devastating California wildfires predicted to cost US economy \$85 billion; Containment may take weeks, Dr. Joel N. Myers, president of AccuWeather, said “We estimate the California wildfires will profoundly affect the economy of California. The cost to contain and fight the fire and deal with the aftermath will be in the billions. And, the loss in tax revenue from businesses no longer around, including the vineyards; the workers who have lost their jobs and can no longer pay taxes as well as other impacts will be quite costly. This will create a hole in the California budget, which may necessitate an increase in taxes. If California has to borrow more this might negatively impact its bond ratings and it will have to pay higher interest rates on all borrowings, which can cost upwards of 10s of billions of dollars. At this time, we estimate the economic impact of the fires is already approaching \$70 billion dollars. Based on our forecast the total costs from this disaster on the economy would exceed \$85 billion and, if the fires are not contained in the next couple of weeks, the total economic impact could even reach \$100 billion.”

Knowing that the North Bay is the tail end of 16 separate billion dollar plus disasters in one year, really brings home the magnitude of what not only we, but our nation, has suffered and how resources at the federal level are strapped in response. It is remarkable that we have received such good attention by FEMA and other federal agencies who have been dealing nonstop with events all year. See the chart below to glean the scope of their work.



Unfortunately, the long term assistance by FEMA will not be as responsive. Many victims of the Lake County Fire and Napa Earthquake report they still haven't gotten their payments from FEMA yet. This means, the onus of the recovery will likely be heavy on the local governments and agencies if we are to rebuild our region in a timely manner. And given the size of this disaster, that will be a very heavy lift.

Housing Key to Recovery

As of October 23rd, local officials report that 8,400 homes and other structures have been destroyed from the North Bay fires. Kudos to the Sonoma County Board of Supervisors who adopted an Urgency Ordinance on October 11, 2017 waiving permit processing fees for rebuilding of structures damaged by the Sonoma Complex Fires. On Tuesday, October 24th, 2017 the Board will consider three additional Urgency Ordinances to address the immediate housing needs for persons displaced by the fires



Price Gouging (charging any amount more than the average rent charged prior to the emergency) will be prohibited. This applies to transient occupancy, short-term and long-term rentals of less than 1-year.

Prohibit New Vacation Rentals. Acceptance and processing of vacation rental permits will be suspended for the interim period (45-days but could be extended at a later date).

Temporary Housing for Displaced Persons

Residential Use of Recreational Vehicles and Travel Trailers will be allowed, both within and outside burn areas in the unincorporated areas, with hookup to sewer or septic. For the next 45 days, they will be allowed without permits or sewer hookups only outside the burn areas, if adequate septic holding capacity and routine pumping service is provided.

Safe Parking Programs will be enabled at certain County-owned properties allowing persons living in RVs, trailers, campers, and other vehicles to be parked overnight with some services provided (bathrooms, showers, and warming stations). Safe parking will also be allowed on private properties (i.e. churches) subject to approval of Community Development Commission.

Seasonal Farmworker Housing – the term of occupancy will be extended beyond 180 days so that seasonal farmworkers may remain year-round.

Rental/Use of Guest Houses, Pool Houses and Other Residential Accessory Structures to persons displaced by the fire will be allowed.

Replacement Schools and Child Care Centers will be allowed without a use permit in the MP (industrial park), C1 (neighborhood commercial), CO (commercial office) and PF (public facility) zones.

Long-term Rental of Visitor Serving Uses will be allowed, including bed and breakfast inns, resorts, agricultural farmstays, promotional marketing accommodations and similar uses.

Expansion of Damaged Nonconforming Residential Structures will be allowed to incentivize the construction of additional living areas, accessory dwellings and junior dwelling units.

Waived/Reduced Impact Fees for New Accessory Dwelling Units. Development impact fees that are typically charged on new residential units to cover the cost of improvements needed to mitigate the impact of on traffic and parks will be reduced or waived for new accessory dwelling units as noted below. Impact fees do not apply to reconstruction of existing units damaged by fire.

Size of Unit Impact Fee Reduction

<750 sq. ft. fees waived

751-1,000 sq. ft. 50% of fees

The City of Santa Rosa is also taking urgency measures to allow more housing units to be created for displaced residents.

Marin Voice: North Bay crisis raises need for workforce housing

By Cynthia Murray and Joanne Webster, CEO, San Rafael Chamber of Commerce



Our hearts go out to the residents and business owners who have suffered in the counties to north of Marin from the horrific fires.

As leaders of the San Rafael Chamber and North Bay Leadership Council, we are proud that our members are actively working to help the North Bay recovery. And while those efforts to provide funding, resources and personnel are important, they won't mitigate the bigger problem facing Marin County.

We got a big dose of reality of what happens when key parts of our workforce who are unable to live where they work, then become unable to live anywhere near where they work.

Over 5,200 structures have been destroyed in Sonoma County, displacing thousands of families. And who makes up those families? Marin's teachers, first-responders, hospitals' staffs, in-home health care workers and other essential employees.

Since 60 percent of Marin's workforce commutes in from other counties, most employers will feel the effects of the dwindling pool of workers.

As will their customers.

The housing crisis in Marin was already making it increasingly hard to fill vacant positions. The disaster in the North Bay will now make filling those openings even more difficult as affordable and workforce housing shrinks in supply.

The displaced workers will not be able to live within range of their current jobs and will be forced to relocate to where housing is available.

Now is the time for Marin to build more housing in order to offer employees the ability to live in the county in which they work, otherwise it will have steep repercussions.

Businesses can't thrive if they don't have the workforce they need. Many will pack up and leave just as their employees are being forced to do.

We must recognize why so many live outside of Marin — the housing costs are simply out of reach for the average worker. It's even out of reach for two-income families.

And we can now see, every day since the fires, the price we all pay for this. We cannot operate without all of these essential workers here, to keep our economy healthy, to keep our schools running, to keep our streets, parks and other facilities operating.

This is a wake-up call for a different kind of emergency — the need for more workforce housing in Marin. It is time to say “yes” to more housing in Marin.

Please join us by becoming a member of the Housing Crisis Action Group. Let’s encourage more accessory and junior accessory units in our neighborhoods.

Let’s support new housing development that meets community standards. Let’s welcome our workforce home.

Sonoma County Education System Takes Huge Hit from the Fires

“Never before has a California wildfire disrupted a county’s K-12 education so widely, said Steven D. Herrington, superintendent of the Sonoma County Office of Education,” in [Students with no schools. Teachers with no homes. Will Sonoma schools ‘get back to normal’?](#) by Stuart Leavenworth, The Sacramento Bee ([Link](#)). “In Sonoma County, the fires uprooted an entire school system. As the fires raged, nearly all of the county’s 183 public schools closed, serving 71,000 students.” Of the 75 schools remaining closed, it is hoped they can be remediated and reopened by November 1st.



“The blazes destroyed or damaged at least three public schools and three private schools, said Herrington, but that is not the biggest obstacle the county confronts. Some 220 teachers and staff members are thought to have lost their homes, along with 329 students. Those numbers will likely double or more as individual school districts complete their assessments, said Jamie Hansen, a spokeswoman for the county education office. Locating these students, and getting them transported to classrooms, remains a logistical hurdle.”

“Longer term, there’s a threat the school districts could lose state funding if the student population drops, as it did in Lake County following the Valley Fire two years ago. Herrington said he doesn’t ‘want to even think about’ the consequence of a drop in funding, which might force districts to lay off some teachers and staff.”

“California needs a statute that says when districts go through a declared national emergency, they should have some form of secure funding source so they can recuperate,” he said.” We urge our public representatives to enact a statute that would address Herrington’s urgent concerns. And hope that we can allocate housing to our teachers and first responders with the highest priority.

Economic Recovery Will Take Time – and Forward Thinking

The local economy has been impacted in many ways by the fires. There is a need to create an economic recovery plan that will align efforts and create synergies to maximize success. Luckily, the Sonoma County Economic Development Board was already convening county economic leaders to create a



Comprehensive Economic Development Strategy (CEDS) which effort can now be used to help create a recovery plan. This plan will hopefully be able to bring leaders together to help with getting businesses back into operation, finding jobs for those displaced and spurring people to seek training for jobs being generated in the recovery such as in construction, remediation and alternative energy.

It is important that our planning is looking to the future, not the past. It should not be a given that all lost should be rebuilt the way it was. We need to build for future needs, not what was needed a half century ago. Let's use this crisis as an opportunity to look at ways to rebuild that meet the needs for sustainability, flexible living spaces and changes in our economy. It is exciting to see what great new assets can be created in our region.

There is a huge concern that the labor force will shrink due to the loss of housing, hence the urgency to find new homes for our workforce. One aspect of the workforce that we know is not currently present is skilled construction workers. Those workers were already in scarce supply and will need to be abundant if we are to rebuild the region. Efforts are being made to create more training opportunities for those who wish to learn the trades and be put to work in this major rebuilding project.

The vineyards and cannabis farms have seen significant destruction. For the 16 vineyards that burned, it is expected to take 5 – 7 years for the new vines to be able to produce wine caliber fruit. That is a long gap in income for small growers. Likewise, the cannabis growers were hit just before their harvest, their crops, valued at over \$1 billion, destroyed with little recourse to any insurance reimbursement. This is going to be a significant hit to this growing industry with ripple effects on many in the supply chain.

One of the key things to speed up the recovery is to get the message out to tourists that the North Bay is open for business. It is important to the hospitality industry that events aren't canceled and that tourists come in millions to support the hotels, restaurants, tasting rooms, caterers and event planners. Steps should be taken to market the North Bay as the still wonderful, picturesque destination that tourists want to see and experience.

One of the most at risk of economic loss is the small business community. Getting small businesses open should be a priority as they are less able to survive being closed. Those small businesses need to be a focus as they are most in need and have the least resources to muster. Only 25% of businesses that close due to a major disaster ever reopen, according to the Institute for Business & Home Safety.

There are many other areas of concern including the undocumented people who can't get any federal assistance, that are relying on local support. The many in-home child care facilities that were lost, leaving working parents without child care, and child care providers without jobs. The need to repair our damaged transportation and communications infrastructure.

What is key is that a plan be developed to address concerns and seize opportunities. That we all work together to make that plan succeed and pool our resources to ensure its success. That the heroism, love and strength shown by so many throughout this disaster be nurtured and spread so that the entire community is ready to move forward together.

Leaders of the North Bay – Last Call for Tickets

We have just a few seats left for the Leaders of the North Bay luncheon on Nov. 3rd at the Hyatt Vineyard Creek, Santa Rosa. If you want a ticket, act now as we expect it to be sold out by Friday, October 27th. To purchase tickets, go to [LINK](#).

NBLC Endorses Denise Athas – Vote on Nov. 7th!



In the Novato City Council race, NLBC is proud to endorse Denise Athas. She has been a stellar council member and earned the right to serve another term. Please remember to vote on Nov. 7th!

NBLC Members Lead Fire Relief Efforts

Redwood Credit Union

Redwood Credit Union set up a Fire Relief fund in conjunction with Press Democrat and Senator Mike McGuire. They have raised over \$11 million dollars so far.

Sutter Health

Firefighters are using their well water to fight the fire. They've used 500,000 gallons to date to help stop the fires. On top of that relief effort Sutter has donated \$250,000 to the Red Cross. They donated medical supplies to evacuation centers, provided support to Sutter staff and physicians such as financial aid, disaster recovery pay, prescription assistance, mental health resources and more.

Sonoma Raceway

Sonoma Raceway opened the raceway up as camp grounds for evacuees and provided a safe space for any displaced people.

Exchange Bank

the bank has already put in place a series of steps to help its customers, including low, fixed interest loan rates, forbearance on outstanding credit, payment deferrals, and interest only draw down emergency loans up to \$5,000. They are also assisting those without IDs, credit cards and checkbooks lost or destroyed to gain access to their funds and have been cashing checks for other institutions during this crisis.

BPM LLP

BPM has given time off to employees as needed (based on their individual circumstances) with pay, in addition to \$500 for each North Bay employee to cover incidental costs they may have incurred. They have encouraged those employees throughout the organization who want to help to donate to either Community Foundation of Sonoma County or Napa Valley Community Foundation and will match cash contributions up to \$10,000. They have also given employees who want to provide a PTO donation the ability to do so. One of the benefits at BPM is Employee Assistance Program that provides counseling support and work/life services. While these services are available 24/7, they had a licensed counselor on site in their North Bay office the week of the fires to provide live support to employees affected by the fires.

Keysight Technologies

Keysight has pledged that they will provide \$10,000 to employees who lost homes and \$1,000 for those in need of emergency housing. The company has established an off-site employee relief center in the

city where its workers and their families can get a free meal, drop off or receive donated items and simply hang out with colleagues.

College of Marin

in response to Senator McGuire's call for donations, COM students and staff had a collection day that went viral. They have been able to deploy those supplies including water, toiletries, clothes, diapers, etc. – 10 large truck loads in all. They also loaned out four of our police officers under the auspice of mutual aid.

Nelson

Nelson donated \$80,000 to the Fire Relief Fund

Dominican University

Dominican University became an American Red Cross staff and volunteer staging center, accommodating Red Cross personnel arriving in the Bay Area from throughout the United States to assist with relief efforts related to the North Bay fires. Housing Red Cross personnel and 8 of their students who have been displaced by the fires.

Comcast

Comcast donated \$500,000 to relief efforts and raised over \$1 million from outside sources for fire relief donations.

Wells Fargo Bank

Wells Fargo donated \$1 million for wildfire relief: \$200,000 to the American Red Cross's California wildfire relief fund; \$100,000 to the Salvation Army, Del Norte Division; \$500,000 to Wells Fargo's WE Care fund to support team members impacted by disasters; and \$200,000 to support local nonprofits focused on rebuilding efforts in 2018. This support will focus on funding local nonprofits that will address community-based needs—most notably affordable housing. In addition, Wells Fargo's local Middle Market Banking group, Business Banking group and the Private Bank have donated a combined \$25,000 to the "North Bay Fire Relief" fund.

Finally, from October 10-23, customers can donate to the American Red Cross on all of Wells Fargo's California ATMs; 100% of the donations go straight to the nonprofit. If history is a guide, we can expect a generous response from our customers.

Skywalker Properties

Skywalker Properties sent their own volunteer fire department to bravely fight the wildfires.

Verihealth

Countless staff members worked around the clock for days straight to help people in need.

Santa Rosa Junior College

Established the SRJC fire relief fund, their foundation donated \$100,000 to it and are raising more to help students, faculty, and staff.

Sunny Hills Services

Set up a fund to take donations to help their displaced clients, but also is providing additional therapy to clients and community members.

SolarCraft

SolarCraft suspended operations the whole week of the fires and deployed their employees to volunteer center.

Arrow Benefits Group

Offering help with mental health and vision benefits for both members and non-members.

Read more online at www.northbayleadership.org/news



Who We Are

Over twenty five years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 54 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call

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www.northbayleadership.org