

POLICY WATCH HEADLINES:

- 6/2/11 Conference on New Ways of Delivering Public Services: Beyond Cuts and Tax Increases!
- Don't let your favorite Leader be overlooked – Nominate a Leader of the North Bay today
- NBLC Advocates for Pension Reform, Passing Budget in Sacramento
- Economic Development in the 1099 Economy
- Business Plan Competition Award Event on June 1st
- Members in the News



Public Sector Fiscal Crises Demand New Ways of Delivering Public Services

NBLC presents important information about how to combat the fiscal crises in our local governments that broaden the choices from making cuts and raising taxes.



The June 2 conference will present a report by Dr. Robert Eyer that explores the efficacy of other ways of delivering public services and programs from shared functions amongst governments to public/private partnerships to consolidations, outsourcing and privatization.



In addition to Dr. Eyer, former Assembly member and Stanford professor, Joe Nation will give his take on the recommendations in the report and share ideas for how to improve government in these difficult times. Also on the response panel is Jason Wolenik, manager at Accenture Strategy, who co-wrote a study on innovations in government towards finding efficiencies and cost-savings.

The **Economic Insight Conference** is at the **Sheraton Hotel, Petaluma**. Registration begins at 7:00 a.m. and the program begins at 7:30 a.m. **Tickets are \$30** and available for purchase at www.northbayleadership.org. A *continental breakfast will be included*. Tickets must be purchased in advance. For more information, please contact info@northbayleadership.org.

Don't let YOUR Favorite Leader be Overlooked – Nominate a Leader of the North Bay TODAY!

There are too many unsung heroes in our lives. The ground-breaking risk takers who step out of their comfort zone to solve problems. The individual who singlehandedly provides the leadership to make her community a better place. The company that gives back its employees and customers in meaningful ways. The men and women who are leading their Latino brothers



and sisters into their rightful place as community leaders and decision makers. NBLC wants to give those leaders the recognition they deserve. But we need you to bring them to our attention. We have a wonderful Selection Committee of leaders from Marin and Sonoma Counties waiting to read the nominations and we want them to have a hard time selecting the finalists. This year's Leaders of the North Bay will celebrate leadership in five categories:

- **Caught in the Act of Leadership**

Individual excellence in leadership: Recognition of an individual who was "caught" demonstrating excellence in leadership.

- **We're All in this Together**

Community building: Recognition of leadership in corporate philanthropy or volunteerism, civic engagement, or other community initiatives.

- **Paint the Community Green**

Environmental stewardship: Recognition of leadership in green business, green building and/or environmental stewardship.

- **The 'Light Bulb' Went On**

Innovative/entrepreneurial spirit: Recognition of creativity, innovation and the entrepreneurial spirit.

- **Empowering the Latino Community**

Leadership within the Latino community: Recognition of efforts to empower and strengthen the Latino community through education, job training, cultural awareness, and business development resources.

Nomination forms may be downloaded at NBLC's website: www.northbayleadership.org. They are also available by contacting us at info@northbayleadership.org or (707) 283-0028. Please complete both pages of the nomination form. **The deadline for nominations is June 24, 2011.** The awards will be presented at a luncheon ceremony on **October 28, 2011**, at the **Doubletree Hotel, Rohnert Park**.

NBLC Advocates for Pension Reform, Passing Budget in Sacramento



NBLC members had their Annual Legislative Advocacy Day in Sacramento on May 24th. 20 NBLC members met with the legislative leadership to call for pension reform, restructuring government, jobs and economic growth, and improving public education. Meetings with both Democratic and Republican senators and assembly members, the Governor's office, GoEd, and others brought home the impasse that the state government is in regarding how to get their fiscal house in order and jumpstart the slow economy.

The response to the Governor's May revise of the budget was mixed with the Democrats lauding the cuts they enacted, shrinking the budget by one third of previous projections, and the Republicans seeking greater pension reform, spending caps and no new taxes. Looming liabilities include pensions, retiree medical costs, the growth in the prison system (11% from the General Fund now but would drop to 7% under the Governor's budget), and cost of debt service (soon to hit 10% of the General Fund). The good news is that both sides of the aisle want to protect education

from further cuts with the Republicans calling for the unexpected new revenue this quarter (approximately \$6 billion) to go to education.

An interesting development is the interpretation of Prop 25, passed by the voters last November. This proposition says that if a budget is not passed by June 15, that the legislators will not receive their paycheck for as long as there is no budget. Seems clear, right? But as it is with poorly written initiatives, the law is being interpreted by some that the Legislature actually passed the budget back in March so they will not be in jeopardy of losing their pay, regardless that a balanced budget has NOT been adopted. Wise legislators will forego their pay if they wish to keep trust with the voters who thought their intentions were very clear. Especially, since they intend to go to the voters with a ballot measure that will seek tax extensions or increases sometime in the next 18 months.

If you like long shots, bet on the Legislature meeting the Constitutional deadline of passing a balanced budget by June 15th!

Economic Development in the 1099 Economy

Below is an article that we are reprinting in its entirety because it is so on point for the kinds of jobs that are being created and the importance of understanding a major sea change in what we need to do to foster economic development in the North Bay. We have added the emphasis to the article.

“Temporary work is becoming the norm. Economic developers must change their focus if they want to create jobs in this new economy. By [William Fulton](#) | Governing, May 2011

My daughter's just about finished with college and has started the job search. It's both exhilarating and frightening at the same time, of course. Yet it's yielding a few surprises: First, there actually are jobs out there. Second, they're not exactly, well, jobs.

Most of the entry-level jobs she's running across in her field are "1099 jobs." In other words, you don't become a full-time employee with benefits. Rather, you simply enter into a contract with your employer to provide work. Maybe you have regular hours and maybe you don't; maybe you have a workstation and maybe you don't. In any event, you are a contractor, not an employee -- so at the end of the year you get a 1099 form from the IRS, not a W-2.



Having watched both her parents work in the 1099 economy throughout most of her childhood, my daughter isn't particularly afraid of 1099 jobs. But she, like everybody else in the so-called Millennial generation, is a little uncertain about where this will lead. How stable is 1099 work? Will she ever have a full-time job? What will she do about medical insurance once she turns 26 and is no longer eligible to be on my policy?

These questions boil down to this: Is the 1099 simply a temporary situation because employers are skittish about the future? Or are we seeing a permanent change where most people freelance and only a

few have full-time jobs?

This is a good question for economic development practitioners to ask because the answer will shape the future of the business. After all, economic development usually revolves around the whole idea of "jobs" -- growing them, stealing them, adding them to the local economy and making sure constituents have them. Oftentimes, economic development success is measured in terms of the number of jobs created or saved, and economic development deals between government agencies and private companies are based on jobs as a metric.

What happens when there really is no such thing as a "job" anymore? How do you practice the art of economic development?

The answer is that even though there may not be jobs in the conventional sense, there is still work. That's the whole idea of the 1099 economy. It's just a different way of organizing the economy. Businesses need economically valuable work to be done, but instead of employing people full-time and permanently, they contract with individuals to do the work temporarily. The work ebbs and flows, the businesses come and go, and the 1099 employees work for a while and then move on. It's a lot more fluid -- and seemingly uncertain -- than the traditional economy.

What this means is that economic development efforts become much less about individual businesses and much more about the underlying infrastructure -- the dynamic flow of business growth entrepreneurs, financiers, public infrastructure) as well as the labor force (skill levels and the density of the labor supply). The "ecosystem" of economic growth becomes more important because a fluid economy requires this system to be operating at all times -- and most of it is in the community or the region, far beyond the factory gates.

Some of America's most prosperous economic sectors operate this way. The entertainment industry functions this way not only in Los Angeles, but in New York and other cities as well. Everybody's a "jobber," moving from project to project. Silicon Valley works in a similar manner, with highly skilled employees floating from startup to startup. As a result, savvy economic developers who want to tap into the 1099 economy must recognize that they must focus on a different version of the basics. Visiting existing large businesses in the community remains important because your largest businesses are probably where your future entrepreneurs currently work. But you also have to know the subtle ebbs and flows of your local economy, especially where the clusters of small business activity are located. You have to stay in touch with your educational community, especially your community colleges, to understand what skills your labor force has and needs. And, of course, you have to read all those Craigslist ads that my daughter is reading.

It's a much more ear-to-the-ground approach than traditional economic development because the 1099 economy is basically an ear-to-the-ground economy. Traditional statistics may tell you that no jobs are being created and unemployment is high, but somewhere in your community, somebody's doing work."

Business Plan Competition Award Event

Wednesday, June 1

2:30-6:00pm at

Sonoma State University, *The Cooperage, 1801 East Cotati Avenue, Rohnert Park, CA 94928*

Join entrepreneurs, investors, business and community leaders for this inaugural event to seed innovation and new business start-ups in the North Bay. Come see the four finalists - selected from a field of 35 competitors - present their business concept to a panel of judges to win the \$40,000 prize package. Thanks to generous sponsors there is no cost to attend! *Registrants will receive free parking at SSU.*

Please [Register Now!](#)

Members in the News

The San Francisco Business Times and Silicon Valley/San Jose Business Journal recognized 125 employers as the Best Places to Work in the Bay Area 2011. The eighth annual Best Places to Work awards recognized the top employers in five categories based on company size. **Five of those companies are NBLC members:**

Largest Employers (1,501-plus employees)

Kaiser Permanente

Wells Fargo Bank

Large Companies (501-1,500 employees)

BioMarin Pharmaceutical

Mid-Size Companies (101-500 employees)

Hanson Bridgett

Burr Pilger Mayer

Dominican University of California is launching a green business accelerator that will support entrepreneurs developing ventures that offer environmental benefits. The "Venture Greenhouse" is intended to serve as a kind of incubator for business students and as a resource for social and environmental entrepreneurs who want to start green businesses in Marin County. "The Venture Greenhouse will enable a network of enterprises, professionals and partners to contribute to vibrant and sustainable economic development for Marin County and the North Bay," said John Stayton, director of the project. Located in a commercial zone in San Rafael, the 5,000-square-foot site eventually will house up to 12 companies at a time, with the goal of graduating companies within one year. Currently there are three test clients. The greenhouse is looking for four more and is opening on June 1st at 30 Castro Street, San Rafael.

Bank of America Corp. pledged Wednesday it would curb greenhouse gas emissions by 15 percent by 2015. That's a pretty big footprint when you consider BofA operates in more than 40 countries. The environmental measures would also apply to the bank's global ventures, including Countrywide and Merrill Lynch. Bank of America says it will have 20 percent of its corporate workplace real estate portfolio certified under the U.S. Green Building Council's Leadership in Energy and Environmental Design program by 2015. From 2004 to 2009, the bank cut emissions by 18 percent, under the EPA program. The bank currently boasts LEED certification for about 11 percent of its offices. That's 13.2 million square feet. Since 2007, the bank has offered to reimburse employees up to \$3,000 toward the purchase of a new hybrid, electric or compressed natural gas vehicle. More than 3,800 workers have taken advantage of the program, according to the company.

Redwood Credit Union's Brett Martinez, President and CEO, was honored with the Executive Campaign Chair of the Year award from United Way of the Wine Country in recognition of the Credit Union's 2010 workplace

fundraising campaign. The combined contributions from RCU, its employees and Officials totaled more than \$82,000, exceeding the company's goal by 11%, and besting its 2009 campaign by nearly \$4,000.

The North Bay Business Journal has selected 11 women from Sonoma, Marin and Napa counties for its 11th annual Women in Business awards honoring leaders, innovators and visionaries in organizations across the North Bay. Congratulations to the winners who are NBLC members:

- **Berta Bejarano**, Director of Diversity, Linguistic & American with Disabilities Act Services, **Kaiser Permanente** — San Rafael
- **Roberta “Robin” Hagenstad**, Patient Care Executive, **Sutter Medical Center of Santa Rosa**
- **Kathy Harden**, Chief Nursing Officer, **St. Joseph Health System**
- **Carol O’Hara**, Shareholder in Charge — **North Bay, Burr Pilger Mayer**

The awards gala will be held June 23 at the Doubletree Hotel in Rohnert Park, from 5:30 to 9 p.m. and will include a reception for previous winners. Tickets are \$79 per person or \$750 for a table of 8, including company name on the table. To register, contact Linda Perkins at 707-521-5264 or events@busjrn.com.

The Buck Institute for Age Research will begin drilling holes for its upcoming geothermal project in the middle of June. The field will save energy and water. The \$4 million project will consist of 325 holes, each 400 feet deep.

The **Press Democrat** won 11 awards in the annual journalism contest sponsored by the San Francisco Peninsula Press Club. The newspaper was awarded second place for overall excellence and pressdemocrat.com won third place for overall excellence in the online category. First place winners included Paul Gullixson in the news columns category for commentaries in the editorial section; sports columnist Bob Padecky for his sports story on the a star basketball player at Hanna Boys Center; and photographers Kent Porter and John Burgess.

Nelson Family of Companies is growing but like many California companies, they are growing in Texas, not here. The North Bay's largest staffing firm has opened an office in Austin for two divisions, Nelson Interactive and Nelson Technology. This office will target staffing the online gaming industry, as well as the creative digital, QA/production sectors. Nelson specializes in recruiting and staffing the entertainment software industry.

About Us



Twenty 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 over 37 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 20,000. 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 **707.283.0028**; E-mail info@northbayleadership.org Visit Us Online at www.northbayleadership.org