

POLICY WATCH – June 2018

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Welcome to summer! This issue of Policy Watch recaps our exciting State of the North Bay Conference. Biggest takeaway? Half the millennials – half of our future workforce! – is looking to leave the Bay Area. That is bad news for the future of our economy. We can fix this, in fact, we must fix this, by building more housing so that these workers stay with us and don't flee. We especially need to build more workforce housing, known as the missing middle, which is housing that includes in-between housing like rowhouses, duplexes, and apartment courts.

We also give a last call for submittals for our teen speech contest. The deadline is July 1st! Please see below for how to enter and how you can get a college scholarship.

We also share information about the upcoming California Economic Summit, which is being held in Santa Rosa for the first time. This is a great opportunity to showcase the North Bay and learn more about how we can work together for a better tomorrow.

Don't miss Mark Wood's timely article on the Practical and Symbolic Value of Career Development. His advice could change your career trajectory!

Best,



Cynthia

State of the North Bay: Millennials Looking to Leave

NBLC's State of the North Bay Conference on June 14 showed the commonalities and differences of the North Bay from the greater Bay Area. Keynote speaker, Dr. Micah Weinberg, President, Bay Area Council Economic Institute, discussed how the region is thriving and a global competitor but that economic success was threatened by the rising housing prices pushing the millennial generation away from working in the Bay Area. In "San Francisco area is global economic powerhouse, but here's what experts say are dimming the lights," by Cheryl Sarfaty, North Bay Business Journal ([Link](#)) the Economic Institute's latest report revealed:

A whopping number of people are considering moving away from the Bay Area:

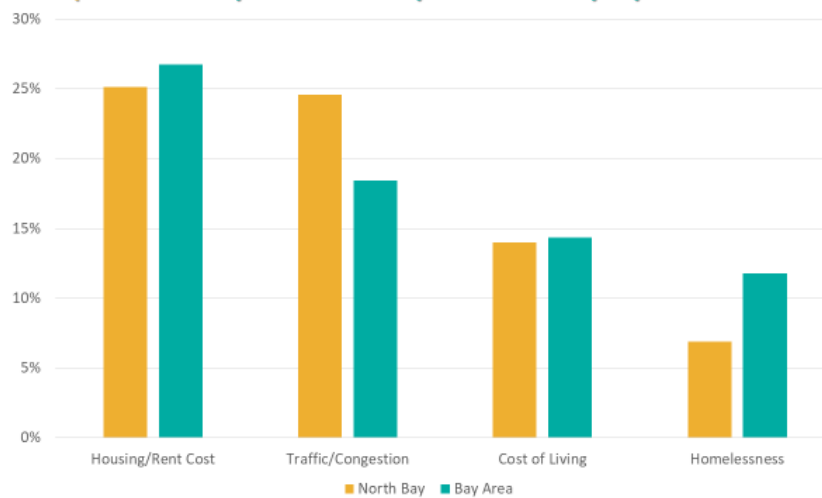
- 46 percent in the Bay Area

- 43 percent in the North Bay
- 50 percent among millennials

The high number of people looking to leave, especially half of the millennials, does not bode well for the future of the workforce in the North Bay. Without major improvements, we can expect increasing problems filling jobs and companies being forced to grow elsewhere or automate.

The report showed that North Bay residents’ main concerns are 1) Traffic and congestion, 2) Housing and 3) Cost of living. Housing is connected to jobs and education, as these determine income. And in looking at economic competitiveness, we must also factor in the region’s skill levels of the workforce and how that matches to jobs being generated, transportation systems ability to move commuters and goods and services, the availability of water and energy at reasonable rates, and the responsiveness of governments and regulatory agencies to meeting the needs of their constituents.

“Most important problems in Bay Area” North Bay vs. Nine County Bay Area



Source: Bay Area Council Poll 2018: Conducted by EMC Research

www.bayareaeconomy.org | [@bayareaeconomy](https://twitter.com/bayareaeconomy) | mweinberg@bayareacouncil.org

Weinberg stressed that all housing is needed, but for the workforce, what is most needed is the missing middle type of housing. The missing middle is both a range of housing that is between single family homes and high-rise apartment buildings, as well as the workforce who needs housing that is attainable on their salaries. Missing middle housing includes in-between housing like rowhouses, duplexes, and apartment courts. The price point of this housing is what we need in the North Bay where two income working couples make too much to qualify for affordable housing but often too little to buy entry level single family homes.

“What’s extremely important to understand is that transportation and housing are very much linked,” Weinberg said. “If you don’t build housing near where people’s jobs are, those jobs don’t go away. Those people just go a little further, and then they clog the transportation networks that people are trying to use to get to work.”

Sarfaty said, “The North Bay — and the entire nine-county Bay Area — is increasingly becoming an economic force to be reckoned with on an international level, rising from the 21st-largest economy in the world to 19th in three years, according to the Bay Area Council Economic Institute.”

“Whether you are looking at GDP growth, income growth, employment growth or productivity growth, we are outpacing all of our peer regions in the rest of the country,” said Weinberg. Population growth is the one area where the Bay Area isn’t a leading player in the world economy, he said.

“You can’t grow population if you don’t have anywhere to put the population,” Weinberg said. “We’ve been at very low rates in housing construction for decades now,” even with the recent uptick in housing in the urban core.

In some ways, the North Bay is distinct from its neighboring counties, Weinberg noted. “It’s important to emphasize that the economy of the three-county North Bay area is actually more of a locally based, internally coherent economy, less dependent on commuting across the broader Bay Area than any other part of the Bay Area,” Weinberg said.

The conference also had a panel of disruptors that spoke about three areas where the North Bay can expect to see changes or disruptions.

Sarfaty said, “Bill Silver, CEO of Santa Rosa-based CannaCraft, which sells 150 cannabis products, discussed the evolving industry and the financial hurdle it continues to face. ‘Banking is going to have to be involved in this industry in some way,’ he said.” Silver was relaying the difficulty of doing business on a cash basis because the banks are not offering their services to this yet-to-be legalized industry on the federal level. He also pointed out that the industry is being stymied by over-regulation and taxation, which is delaying many people from going “legal.” If we want this industry to thrive, we need to remove barriers from its growth.

The second is the coming of autonomous vehicles (AVs). There is no doubt that AVs are the vehicles of our future. The shift to AVs change land use, commuting, the social fabric and spur the move away from public transportation to private fleets. Sarfaty said, “Randy Iwasaki, executive director of Contra Costa Transportation Authority, talked about the growth of autonomous vehicles, describing advantages that include zero emissions, a reduction in the fatality rate and less congestion.”

The third speaker talked about the need to disrupt the construction industry. We will not reach our housing goals by continuing to build the way we currently do. It is time to cut the costs of labor and construction materials, and time it takes to build a home, by moving towards new methods like modular construction and other innovations like 3-D printing houses. “Chris Schmidt, business development manager at Boise, Idaho-based Guerdon Modular Buildings, said there are several advantages to constructing modular buildings rather than traditional structures: controlled environment, safer for workers (one floor), and faster turnaround. The company’s Bay Area projects include hotels and multifamily homes,” said Sarfaty.

The sold out conference left people with lots to think about and with a greater sense of where our region is going. The direction is bright but only if we meet the challenges of housing, transportation and workforce readiness head on.

Last Call for Teen Speech Contest Submittals: Deadline July 1st

NBLC is searching for the teen leaders in the North Bay who want to do their part to make the world a better place. Do you know a teen leader in your community? NBLC seeks teens who dream about inspiring others to action. If you know a teen with a cause and the ability to speak well, please let them know about our Youth Power Speech Contest. The winning applicant will be chosen to be the keynote speaker at our annual Leaders of the North Bay Awards Luncheon in November and receive a college scholarship. Runner ups will also receive scholarships.

For more information on how to enter, rules and an application, please go to [link](#). **The deadline to apply is rapidly approaching – it is July 1st.** If you have questions, please email info@northbayleadership.org.

California Economic Summit coming to Santa Rosa on Nov. 15-16: Register Now!



A PLATFORM TO UNITE AND ELEVATE

The **California Economic Summit** has emerged as the only statewide venue with a comprehensive agenda for taking on the challenges of our time: reducing income inequality, increasing economic security and community resiliency in a time of climate change, bolstering wealth generation, and restoring upward mobility.

The Summit network of public-, private-, and civic-sector leaders has championed initiatives aimed at the triple bottom line: seeking to simultaneously advance economic growth, ensure environmental quality, and provide opportunity for all. Register today! [Link](#).

New for 2018!

Regional tours hosted by Sonoma County partners on November 14, as well as highlighted activities to explore Sonoma County over the weekend following the Summit. [Read More](#)
<https://summit.caeconomy.org/events>

Early Bird Rates

It's a great time to get registered, as early bird rates for the 2018 Summit are in effect for a limited time.

More About the Summit

The 2018 Summit will be the seventh annual statewide gathering of the growing network — the largest group of business, equity, environmental, and civic organizations working year round to improve upward mobility, build more housing, create a strong workforce, and strengthen the state's water sustainability.

2018 Roadmap to Shared Prosperity

The network has made steady progress along the [2018 Roadmap](#), which was created with input from hundreds of Californians, with its four main priorities:

1. **Setting goals consistent with California values.** The Summit supports legislation defining tangible metrics for upward mobility – and establishing a system for tracking progress.
2. **Advancing solutions that meet the triple bottom line.** The Summit will continue ongoing initiatives to close gaps in skilled workers, livable communities and well-paying jobs.
3. **Ensuring rural CA prospers.** The Summit will launch a statewide collaborative committed to advancing the sustainable development of rural regions.
4. **Modeling resiliency for every region.** The Summit event will focus on the need for resiliency in every region – whether it is from natural disasters, climate change, or economic uncertainty.

Join us in Santa Rosa to help keep progress moving forward! Visit CAEconomy.org to get more information and register for the Summit today.

Leadership in Action: The Practical and Symbolic Value of Career Development

By Mark Wood



In my work as a trainer and educator, I often ask my audiences for a show of hands on a simple question: “Has your manager ever asked you what your career goals are, or if there are any specific skills you would like to develop?” It never ceases to amaze me that only about 10% of a given audience will raise their hands. These same audiences will rightly bemoan the challenges of attracting and retaining talent in the modern economy, while it is clear that their organizations are missing the ultimate “low-hanging fruit” to help them address the challenges.

Most of you already know what the research repeatedly concludes: the leading cause of employee turnover is “opportunity for advancement”. This informs both sides of the “attract and retain” coin: workers leave jobs in order to grow their skills and experience, which likewise means that people are attracted to jobs that offer development opportunities. So, if most of us already know this, why aren’t we taking a more active role in fostering career development for our people? Why are we causing our employees to leave their hands in their laps when I ask if their bosses have talked to them about their career development goals?

When I probe these questions with my audiences, I usually hear the same responses. “My boss probably is afraid to ask, because he/she might not be able to give me the opportunities I want, or because they might feel threatened by my advancement.” Or, “My boss needs me to do the job I have, not the job I want.” Or, “I don’t think my boss has ever thought about that.” I’m not sure which of these answers is most depressing.

The desire for personal growth and fulfillment is intrinsic to human nature, so it’s only natural (literally) that this would be a central factor in the vaunted “war for talent.” This has led me to make it something of a personal mission to implore organizations to address this phenomenon head-on... because it’s actually quite simple and straightforward. Consider this range of options:

1. As a leader, verbalize to your direct reports that you want to be an advocate for their career development. Ask them if there are any goals they want to achieve or any skills they want to develop. It’s fine to give them a reality-check that not everything will be possible – it’s better to ask and give a dose of caution than to not ask at all!
2. Repeat Step 1 at least once a year. There is tremendous value (both symbolically and practically) in your direct reports being reminded that you are an advocate for their career development.
3. Think about using outside training resources to build a foundation for common skills like leadership and conflict resolution, which have career development value at all phases of one’s career. Here again, the symbolic value is just as important as the practical value.

This paradox – that skill growth is essential and straightforward but often ignored in organizations – is a key reason why the North Bay Leadership Council launched its Employee Training Essentials program as an exclusive benefit for members. Feel free to contact Cynthia Murray or me if you would like to explore how we can help you in the war for talent by weaving career development into the fabric of your organization.

Mark Wood is an independent consultant in organizational performance and adjunct faculty in the schools of business at Sonoma State University and Dominican University. Mark’s quarter century of experience includes roles as Senior Vice President of HR & Corporate Affairs at BioMarin Pharmaceutical; Vice President of HR & Administration at AG Consulting; Manager of Compensation & Quantitative Analysis at Genentech; and HR Manager at Wells Fargo Bank. Mark earned a Master of Industrial & Labor Relations from Cornell University and a Bachelor of Arts in Psychology from the State University of New York at Buffalo.

Members in the News

Kaiser Permanente Announces \$200 Million Impact Investment, Partners With U.S. Mayors and CEOs to Address Housing Stability

Kaiser Permanente, the nation’s largest integrated health system, announced an impact investing commitment today of up to \$200 million through its Thriving Communities Fund to address housing stability and homelessness, among other community needs.

Redwood Credit Union Wins Three MAC Awards

Redwood Credit Union (RCU) received three awards for their marketing efforts at a ceremony in San Diego.

Kaiser Permanente COO/CNE honored as outstanding leader

Kaiser Permanente Santa Rosa Medical Center's Chief Operating Officer/Chief Nurse Executive Vicky Locey, RN, MSN, MBA, CENP, was recently honored for her outstanding leadership.

Congratulations to Our Members in the North Bay Business Journal's Women in Business List

North Bay Business Journal has announced 15 winners of its 2018 Women in Business honors.

Redwood Credit Union Donates Little Free Library

Redwood Credit Union (RCU) recently sponsored a Little Free Library and donated it to Hidden Valley Elementary School where 132 elementary students lost homes in the October fires.

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 707.283.0028 / E-mail info@northbayleadership.org

www.northbayleadership.org