

POLICY WATCH – July 2024

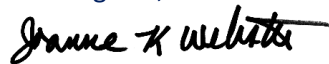
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Summer is in full swing and got off with a scorching start in the North Bay. Record temperatures were recorded throughout the region and hit over 100 degrees in parts of the North Bay for long stretches of time. In this issue, we share a how some businesses are offering reduced hours this summer to boost employee morale in hopes that employees return this fall refreshed and ready to go. This summer also is bringing a new surge of Covid-19 cases, and we share a report on retail theft in the state and the impact it's having on businesses, public perception and higher prices.

Best regards,



Joanne

Summer Hours- Is it for Your Organization?

[Mae Anderson, Associated Press Business News Columnist](#) writes; “With summer having gotten off to a scorching start, workers across the country may be dreaming of a seaside escape or cutting out early to watch a movie in an air-conditioned theater.

For some, that can be a reality. Business owners have found that offering summer hours — a reduced schedule on Fridays, usually between Memorial Day and Labor Day — can be a way to boost employee morale. Workers are able to deal with summer childcare gaps, return to the office refreshed and feel like their job values them, owners say.

Reduced hours in the summer months can also enable smaller businesses to stand out to prospective employees in a competitive talent marketplace.”

“When smaller employers have less resources and they want to be more competitive with attracting and retaining quality talent, they want to be creative with the benefits that they offer. And one of the benefits they can offer would be flexible time in the summer,” said Rue Dooley, a knowledge advisor at the Society for Human Resources Management.

Special summer schedules don't work for all types of industries, however. And it takes some trial-and-error to figure out the best option for each company.

Michael Wieder, co-founder of Lalo, which makes baby and toddler products, thought summer hours were a good fit for his 32 employees because so many of them — about 75% — are parents.

His staffers work remotely and are spread across the U.S. and several other countries. Since founding the company in 2019, he tried various summer hour schemes, such as offering every other Friday off, but the current system works the best, he said. On Fridays, the business closes at 1 p.m. local time. Staffers also get four-day weekends for Memorial Day, Labor Day and July 4th.

“We know that childcare is harder during the summer,” he said. “Summer is a time where people do like to take time with their family or take trips, and we want to be able to reward our employees with some additional time with their families.”

Greg Hakim, owner of Corporate Ink in Boston, which offers PR services to emerging tech companies, said he uses summer hours as both a recruitment and retention tool. He plays up summer hours in job descriptions and said the perk has helped him retain staff — particularly during the pandemic when others found it hard to keep workers.

“It’s just helped us retain our team during the ‘Great Resignation,’ people are just like losing people left and right,” he said. “And I think we went 23 months without having someone resign. And that’s just such an important benefit and competitive advantage.”

Jim Christy co-owns Midwest Cards, a trading card retailer based in Columbus, Ohio, with about 30 employees. He started offering summer hours — Fridays off after 2 p.m. — in 2021, a year after founding the company, as the pandemic upended normal ways of working.

The hardest part was figuring out what to offer people who worked in his brick-and-mortar shop, who also fill online orders, since they had to work normal hours to keep the store running. He decided to give logistics-side workers Friday afternoons off while the six staff who work on the brick-and-mortar side and do customer service for online orders get off on Mondays, when the store was closed. Some workers can sign on remotely to answer customer queries if they want to, but it is not required.

“We couldn’t just apply one situation to everybody. So that that was a little challenging,” he said.

For some companies, summer hours work so well they’ve gone even further. Chris Langer, co-founder of digital marketing agency CMYK, has 14 staffers who all usually work in the company’s studio.

In 2014, rather than offer Friday afternoons off, he started offering entire Fridays off during the summer — every other week. Then, last year, Langer started hearing chatter about the four-day work week, so he decided to try that out during the summer.

Communicating with the company’s tight knit staff, who have all worked together for years, makes the four-day week doable, Langer said.

“We’re small, so, it’s easy to have a discussion with everybody on like what’s real and how everyone’s feeling, if they’re feeling stressed out, can they get their work done,” he said.

If a big project is due, he might call people in on a Friday, but so far, that has only happened twice since CMYK instituted the four-day week.

“It is more stressful in terms of getting the work done throughout the week, but the day (off) was much more of a payoff,” he said.

For some organizations, they just didn’t add summer hours to their policies, they added permanent 4-day work week. Canal Alliance in San Rafael announced in May that they were transitioning its staff to a 32 hours-a-week schedule while paying employees the same salaries as they had earned when working five days a week.

Canal Alliance’s CEO Omar Carrera says the decision came after a years-long focus on employee wellbeing at the agency and ties directly to its 2028 vision, a 10-year plan which, among other goals, calls on the organization to become a leading place to work in Marin County. Carrera says that since the fall of 2021, Canal Alliance has been especially focused on staff wellness and retention: “Our staff is comprised of industry leaders, experts in their fields, and I was — and continue to be — very motivated to show them the respect they so deserve.” In a phased initiative, the agency has improved salaries, increased retirement and other benefits, and embraced conversations about additional changes the agency might make to improve efficacy and benefit employees.

Of course, summer hours and 32-hour work weeks might not work for every company. Retail stores risk losing customers to big box stores or others that are open for more hours. And employees that are paid by the hour rather than set salaries can balk at getting paid for fewer hours.

Jennifer Johnson, owner of True Fashionistas, a consignment shop in Naples, Florida, thought she would try summer hours in 2022 because Naples is seasonal, with the busiest part of the year wrapping up around Easter. Beginning May 1, she changed her open hours from 10 a.m. to 6 p.m. to 11 a.m. to 5 p.m. But the change didn’t work.

“We have a staff of 45 to 50 employees, and it cut their hours and that upset them, and rightfully so,” she said. “It also upset our customers who were used to our hours and wanted to shop.”

She abandoned the effort after two months and hasn’t tried again.

“I really believe that with anything consistency is the key,” she said. “The customers need to know they can rely on you to be open, you cannot always be changing your hours because that is a quick way to lose customers.”

Covid Summer Surge

Just when we thought we could forget about Covid-19, the North Bay is experiencing a summer swell of Covid activity, as reported in the [Press Democrat on July 10th](#) and on the [Marin County Health and Human Services website](#).

It is likely due to a new sub-variant called FLiRT and low vaccination rates. With more people traveling and gathering this summer; the heat wave had more people going into movie theaters and indoor malls to cool off, Covid infections are on the rise. As reported by the PD, “this year’s summer wave appears to be happening sooner than last year, according to the latest available local wastewater surveillance data for SARS-CoV-2, which causes COVID-19 illness.” Health officials across the North Bay are stating that

vaccine and pandemic fatigue are likely the culprits of low vaccination rates. They are also reporting that while they are seeing more COVID-19 cases, patients are not as sick as in the early days of the pandemic. Their symptoms are less serious and they feel better sooner than they did at the height of the pandemic. The groups most impacted are those 65 years and older and individuals who are immunocompromised. Hospitalization cases are mostly amongst these elderly or immune compromised individuals.

It is also reported that many people are no longer wearing masks, whether they are at the airport or shopping in a grocery store. Experts do say that masks will reduce our risk, but it is not guaranteed. It may be a good time to refresh your stock of masks and at-home Covid tests. Health officials are also saying to “Test for Covid when you have cold-like symptoms. If you test positive, stay home for at least 24 hours and take added precautions, such wearing a mask until you test negative. Vaccination remains the best protection against Covid illness and long Covid. People aged 65 and older are at greatest risk for poor outcomes from Covid infection. If you get up to date this month, you would be eligible for the 2024-25 COVID-19 vaccine in December. Find out where to get vaccinated in Marin: <https://coronavirus.marinhhs.org/vaccinefinder.”>

In Sonoma County visit here: <https://sonomacounty.ca.gov/health-and-human-services/health-services/divisions/public-health/disease-control/covid-19/vaccines>

Retail Theft in CA- A special report by the Hoover Commission

Below is an excerpt of the full Commission report. You can read the [full report here](#).

In June 2023, 66 members of California’s legislature asked the Little Hoover Commission to examine retail theft. The report responds to that request.

“For many Californians, the evidence of retail theft is plain to see. Videos on social media and in news reports show brazen thefts of property, sometimes by large or violent gangs. Retailers say that they rarely call law enforcement when theft occurs, and some law enforcement officials say there are few consequences even if citations are issued. Businesses are locking up more items on their shelves. Public officials have taken notice. Governor Gavin Newsom awarded \$267 million in extra funding to local law enforcement to combat organized retail theft. The Legislature created a new committee to address the issue, and a variety of bills were introduced” and are now making their way through the legislature. And, major retail chains like Target and Walmart bank rolled enough signatures to get Prop 36 placed on the November ballot. Local leaders such as San Francisco Mayor London Breed announced crackdowns and her support for Prop 36.

As reported [in the Sacramento Bee](#), “Proposition 36, criminal penalties: This measure would revise Prop. 47, a 2014 ballot initiative that downsized some lower-level crimes to misdemeanors and put in place a \$950 threshold for shoplifting felonies. The ballot measure’s backers, which include San Francisco Mayor London Breed and the California District Attorneys Association, argue Prop. 47 has led to increased crime and retail theft. The proposed changes would raise penalties and sentences for some drug and theft offenses. For example, fentanyl would be added to the list of drugs that warrant a felony charge if the person also possesses a gun, increasing the punishment from up to one year in jail to up to four years in prison. Another major revision would hike up punishments for convicted shoplifters with two or more prior theft-related convictions. Gov. Newsom and other Democratic leaders in the legislature are opposed to Prop. 36. They have floated their own 14-bill package to reduce retail theft instead.”

“Reports of retail theft increased in 2022, but remain far below reported levels of the 1970s, 80s and 90s. Different regions of the state reflect different experiences of retail crime – some increasing, others decreasing. The rate of “shrink” – the term used by the retail industry to refer to theft and other inventory losses – shows a modest increase. Perhaps most important, the rate of under-reporting of theft to law enforcement, a crucial issue, is hotly debated. Retailers and some law enforcement officials suggest a substantial amount of under-reporting; scholars who study data about retail theft say it is difficult to assess the level of under-reporting with any degree of certainty. All of these factors have contributed to an increased degree of public fear and concern about theft, yet these issues also point to a need for more and better data.”

Underreporting is not helping the data either. “Not all retail theft is reported, but by its nature underreporting is extremely difficult to measure. Little data is available. A federal study of the reporting of household and personal property crimes shows a moderate downward trend in the rate of reporting since 2010.” And, when major retailers do make reports, they can be penalized for it as in the case of Target store in Sacramento recently. [As Ishani Desai reports in the Sacramento Bee](#), “The Sacramento City Attorney’s Office warned a chain retail store that it could face a public nuisance charge due to a large number of phone calls placed to police when thieves repeatedly stole from its Land Park location. A person with knowledge of the warning, but not authorized to speak publicly due to the fear of retaliation, told The Sacramento Bee that city officials threatened the Target at 2505 Riverside Blvd. in the past year with an administrative fine. A Sacramento police spokesman confirmed the location — a site that prompted heavy ire from Land Park residents due to repeated crimes — when asked about the apparent warning.”

“Any increase in retail theft has real-world impacts on businesses, consumers and others, and it is important to understand the concrete effect of this form of crime. Retail theft’s most direct consequences are the losses experienced by businesses. Some businesses have cited theft as a reason for closing stores. Mom- and-pop businesses, often operating on razor-thin margins, have a smaller safety net than national retailers to recover from these losses. In addition to the immediate monetary losses, there are indirect costs associated with retail theft, such as enhanced security measures and an increase in insurance premiums. In extreme cases, these cumulative expenses can result in business closures, subsequently affecting local employment. The effects aren’t limited to businesses. Losses due to theft are often recuperated through higher prices. This can be particularly challenging for economically vulnerable populations. Furthermore, frequent incidents of theft can lead to an unpleasant shopping experience, characterized by a visible security presence, locking items away from customers, and other measures resulting in a perceived decline in customer service. This, in turn, can lead consumers to shop elsewhere, further harming the store’s bottom line.”

The Hoover Commission report makes recommendations. Below is Recommendation #2 which is fully supported by NBLC.

Recommendation 2: To better understand the complexities involved in the causes and effects of retail crime and to develop evidence-based solutions, the State of California should fund studies on the following topics. This research should be conducted by the University of California, the California State University, the California Community Colleges, independent universities, or other nonpartisan research institutions.

a. Retail theft preventative measures and effectiveness. This should include information on the types and effectiveness of retail theft prevention programs, policies, and technologies.

- b. Underreporting of retail theft. By examining the frequency of underreporting and the degree to which underreporting changes over time, this study could resolve the most important gap in current data about retail theft.
- c. Economic impact of retail theft. This should include direct and indirect costs to businesses, insurance companies and premium taxpayers, the community, and local and state government.
- d. Causes of public perception of retail theft. In addition to understanding what the public's perception of retail theft is, this study should investigate why the public believes what it does.
- e. Fencing of stolen goods. This study should look at how and where stolen goods are disseminated to consumers and who is purchasing them.

Welcome New Members

North Bay Leadership Council provides a strong voice for leading employers to drive public policy in our region. Our membership consists of private businesses, public institutions, hospitals and members in the health care sector, government agencies, as well as nonprofits. They represent over 65,000 employees, across 27 different industry sectors. This diversity in membership brings the vision needed to our work to address complex issues and improve the community as a whole. The challenges we face require regional leadership, to work collaboratively in finding regional solutions.

- [Marin County Office of Education](#)
- [EAH Housing](#)

Members in the News

Basin Street Properties Welcomes Nelson Connects Offices to Fountaingrove Executive Center

Basin Street Properties, a prominent real estate investment, development, and management firm, is pleased to announce Nelson Connects has signed a 4,678 square foot lease at Fountaingrove Executive Center in Santa Rosa.

Redwood Credit Union Welcomes Taylor McNeany and Michael Madsen as External Mortgage Loan Officers

Redwood Credit Union welcomes two external mortgage loan officers, Taylor McNeany and Michael Madsen, to help people aspiring to buy or refinance a home.

Sutter Health Bringing New Medical Complex to Expanding Community

When Rebecca Plunk walks into the cavernous building at 6000 State Farm Drive in Rohnert Park, she sees much more than the 13,500-square-foot space with an empty concrete floor, web of silvery insulated ducts and conduits in the ceiling.

Sonoma Valley Hospital Ranks High Statewide and Nationally

An independent think tank that awards hospitals for being socially responsible has given top marks to two acute care hospitals in the North Bay and recognized several other health care facilities in the region.

Sonoma County Tourism Working on Two Visions for Long-Dormant Sears Site

Proposal to create up to 40,000 square feet of meeting space and a hotel that could attract new visitors to the area.



North Bay Leadership Council is the strong voice of employers who advocate for sound public policy affecting the North Bay, demonstrate and grow leadership within the region, and collectively work for a more resilient, prosperous and equitable future. For more information: Call 707.283.0028 / E-mail info@northbayleadership.org
www.northbayleadership.org