



Main Street
Update

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Homeless
Encampments
Cleanup

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Monterey County Business Alliance Takes Leadership

Few businesses have avoided challenges and uncertainty caused by the coronavirus pandemic and government policies in response to it. Governments throughout the United States and California have handled this public health threat in different ways.

In Monterey County, our local elected officials at the city and county levels have heavily relied on local business groups to take initiative on developing and implementing safety protocols for various industries. There is an evident need for a consolidated voice in the business community to respond to a common problem.

In response, every Chamber of Commerce in Monterey County has come together in a new unincorporated organization called the Monterey County Business Alliance (MCBA). Other business groups have also joined the Alliance to provide ideas and share intelligence.

The Salinas Valley and Monterey Peninsula Chambers of Commerce have been at the

forefront of this collaborative effort. The Alliance has quickly created and implemented strategies to support businesses to get through this critical period.

Activities of the Alliance

Executive officers of each of the chambers of commerce and other business organizations hold a virtual meeting every Wednesday afternoon. They talk about the latest problems faced by businesses in their jurisdictions and discuss common responses to adopt.

Major problems addressed so far by the Monterey County Business Alliance include the drafting and distribution of public health protocols for specific industries and the availability of personal protection equipment (PPE) such as masks, gloves, and hand sanitizer.

On May 8, the Alliance submitted a report to the Board of Supervisors and top county administrative officials entitled "Restoring Commerce While Protecting Lives" that presents a cautious, thoughtful philosophy and protocols for reopening businesses. On May 22, the Alliance submitted a supplement to this report addressing protocols for several business sectors (such as car wash) ➡

MONTEREY - Continued on page 6

COVID-19 Fiscal Impact on City of Salinas

Salinas's City Manager, Ray Corpuz, Jr., recently gave a report to the Salinas City Council on the fiscal impact of COVID-19. That detailed report is available here: <https://bit.ly/2zO1DwE>

As of the time of the report, the City had seen a dramatic drop ➡

Other Agencies

- **Federal** - Congressional Budget Office says federal budget deficit could reach \$3.7 trillion by end of this FY
- **State** - Governor indicated the \$24.1 billion surplus is gone and now estimating \$54 billions deficit
- **CA Cities** - Estimate \$7 billion loss in revenue over the next two years

COVID-19 - Continued on page 6

Update Main Street Streetscape Project



MAIN STREET STREETScape PROJECT

DESTINATION DOWNTOWN

The City of Salinas promised to keep citizens informed about the Main Street Streetscape Project and has been providing weekly updates for that purpose.

Early June Activities: What's Being Accomplished?

100 Block

- Installation of underground utilities and irrigation pipes in the 100 block were completed.
 - Concrete work for sidewalk replacement was completed on Friday June 12.
 - The decorative paver band will be installed in the next two weeks.
- COVID -19 related issues have delayed the delivery of the pavers.

- Reconstruction of the sidewalk area adjacent to First Awakenings is scheduled for late July. ADA compliant pedestrian access to First Awakenings is maintained at all times.
- The new water main connections in the 100 block and Gabilan intersection have been completed. The work was performed at night after businesses closed to avoid service disruptions to businesses.
- General construction activity in the 100 block is still expected to be finished in the next 2-3 weeks, excluding the intersection work adjacent to First Awakenings.
- Landscaping is still anticipated in late Fall but may not occur until after the holiday season closure from mid-November through December.
- Street repaving and striping in Block 100 will be done when construction work on Blocks 100-300 is complete.

200 Block

- Work is continuing on the installation of irrigation, electrical and fiber optic conduits, and foundations for new light poles and the new Salinas Arch.



Sidewalk replacement activity in the 100 Block.

- Utility work by Cal Water and PG&E for water fire hydrants and gas main relocation started last week. The closure of the street in the 200 block is expected to continue through Wednesday of next week. Traffic and parking on the east (odd-numbered) side of the street is restored at the end of each work shift and on weekends.

- Work in the 200 block is expected to continue through August.

300 Block

- No current construction activity. There is a possibility that utility work will occur in the next 2-3 weeks, but that is not yet confirmed.
- Work for street reconstruction is scheduled to begin in September.

General

- One-way traffic access and parking access continues to be provided opposite current construction areas.
- ADA-compliant sidewalk access is being maintained on both sides of Main Street at all times.
- Bulletin boards have been installed adjacent to the construction areas to provide updated

information for viewing by pedestrians.

- The City, Cal Water and the contractor have diligently and successfully worked together to coordinate Cal Water's replacement of their water main in conjunction with this project in order to minimize repeated disruptions to the area.

- Construction activities will stop during the holiday season from November 24th until early January 2021.

- Final landscaping and road repaving for all blocks will be the last step in completing the project.

- Construction schedules may have to be periodically adjusted due to delays in receipt of products needed for construction, or from weather or other unanticipated events.

- Due to on-going local and nationwide COVID-19 regulations and impacts, the project is experiencing some delays in product availability and shipping schedules. Your understanding and patience is very much appreciated.

Upcoming Activity

100 BLOCK

- The installation of the new paver strip at the curb and gutter is scheduled in the next two weeks. Once the new pavers are installed, the block will be re-opened for on-street parking.

200 BLOCK

- Traffic flow in the 200 block will be reduced to 1 lane during portions of the construction period. The one-lane reduction is anticipated to continue during most of the upcoming construction activity in this area.
- Intersections and sidewalks are open on both sides of the block for pedestrian traffic.
- Construction crews will continue installation of utilities, irrigation, storm drains, water lines, fire hydrants, curbs, and footings for the future Salinas Arch.
- Cal Water will finish installation of fire hydrants and water lines to buildings. There may be a short (1 hour) interruption to water services (West side, even-number addresses) when Cal Water and Monterey Peninsula Engineering connect to the new water main. Businesses will be contacted in ➡

STREETSCAPE - Continued on page 3

advance of any service interruption.

- PG&E will complete relocation of utilities to facilitate installation of the Arch. No power disruption is anticipated. Businesses will be notified in advance if any power disruptions are required.

- Access for pedestrians will continue to be maintained.
- Equipment movement may interrupt traffic flow for short periods of time.

300 BLOCK

- Water main utility work at the intersection of San Luis street is anticipated in the next 2- 3 weeks. The intersection will be open to traffic, but Main Street access will be closed and detoured for one day.

- Water main work may occur in the middle of the street, but is not firmly scheduled yet.

Future Construction Activity: What's Planned to Happen and When?

- Finish visible construction (excluding landscaping) in the 100 block by mid-to-late June.
- Finish grading and forming for Salinas Arch columns in July.
- Work in the 200 block will continue July through September.
- Construction in the 300 block is planned for September through mid-November.
- All construction will stop for the holiday season beginning November 24 and resume in early January 2021.
- Final landscaping and repaving of all block areas will be the last component of the project.
- Project Completion is presently estimated to be by February/March 2021.

Parking in the Downtown Area: Updated Information

- On-street parking along Main Street is reduced during construction. One-way traffic, parking and pedestrian access is being maintained to the greatest extent feasible.
- On-street parking in Block 200 will be unavailable during daytime hours for the next 2-3 weeks due to construction work now in process in this area.
- Monterey Street Garage is reopening in phases. Reopening began Saturday June 6. Hours of operation are 7 a.m. to 7 p.m. on weekdays, and 8 a.m. to 8 p.m. on weekends. Monthly permit rates are \$45 and hourly rates are \$1 per hour.
- Permit rates for the Salinas Street Garage and Lots 5, 8 and 17 range between \$35 - \$50 per month.
- A parking validation program is available for businesses that have temporarily lost parking in front of their businesses. The program can offer 90-minute validated parking at the Monterey Street garage for business customers.

Looking Ahead: Businesses Open and Community Events Planned in the Downtown Area

- A number of businesses in Downtown remain open during construction and more are planning re-openings as permitted. Many are providing curbside pick-up service, and most restaurants and food services provide take-out services.

- Parking access on Main Street is reduced during construction activity. Additional parking for access to the Downtown area includes the City's parking garage, streets adjacent to Main Street, and some areas behind business buildings.

- Subject to local and state orders regarding activities that can take place under the current COVID-19 virus and shelter orders, some events in the Downtown area may be able to take place in the coming months. We will provide more information as it is received.

Background Information About the Project and Planned Improvements to the Downtown

- The Main Street Streetscape Project is one of the first steps in implementing the Downtown Vibrancy Plan. The Downtown Vibrancy Plan was adopted by City Council in 2015 as a strategic plan.
- The Downtown Vibrancy Plan provides the foundation for improving circulation, safety, and aesthetics in the downtown area.
- The Main Street Streetscape Project generally includes reconstruction of the sidewalks, ADA compliant pedestrian access ramps, drainage improvements, lighting and electrical improvements, utility relocations, landscaping with irrigation improvements, signing and markings for two-way traffic, high speed fiber optic communication, traffic signal modifications, a district arch, and other public amenities.

Contact Information and How to Stay Informed

- For more information about this project, please visit the project webpage: [HERE](https://www.cityofsalinas.org/main-street-master-plan) or contact Patrick Fung, Assistant Engineer, by email to patrickf@ci.salinas.ca.us or by calling (831) 758-7186.
- Sign up on the City's website to receive information about this project and other City services at: <https://www.cityofsalinas.org/main-street-master-plan>

Funding

Project funding is provided by Measure X, a sales tax measure approved by Monterey County voters. ■



2020 EXECUTIVE COMMITTEE

- Chair - **Andrea Bailey** (*Chevron*)
- Chair-elect - **Kristy Santiago** (*KION TV*)
- Past Chair - **John Bailey** (*Alternative Dispute Resolution*)
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- Vice Chair, Finance - **Bill Hastie** (*Hastie Financial Group*)
- Vice Chair, Events - **Amy Gibson** (*Portola Hotel & Spa*)
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Union Pacific Cleans Up Homeless Encampments

Union Pacific Railroad has worked with the City of Salinas and many other stakeholders for regular clean-ups of homeless encampments in Salinas

by Steve McShane, Salinas City Councilman

Union Pacific invited homeless service providers and stakeholders to aid in outreach along the railroad tracks.



4.) Downtown Streets Team: Open and operating with (30) on the team. They are located at 140 Central Ave. They are helping anyone that comes and have dedicated outreach / office hours on Tuesdays at 2PM.

Dominic Dursa from Assemblyman Robert Rivas's office and City Councilmember Gloria De La Rosa were present as was Norm Groot from the Farm Bureau and other volunteers.

Prior to the outreach, there was a safety briefing by Union Pacific police. There was also an overview of assistance and coordinated options for impacted homeless as follows [Editor's note: the numbers cited below were valid as the Journal went to print, in late June]:

1.) Community Homeless Solutions: Chinatown Navigation Center - (11) beds open. (5) trailers *very* near occupancy for up to (25). Sprung structure coming - beds for 35. While hotel vouchers are used up at this point, more will come on line 7-1-20.

2.) Dorothy's Place - (7) days a week 7:30- 6PM. Basic needs and references / direction / assistance.

3.) Community Human Services: Unaccompanied youth <18 years & homeless youth street outreach (18-26 years) ... Housing vouchers, assistance, basic needs.



The Union Pacific cleanup will take weeks to complete. Once complete, the contract includes (30) days of ongoing maintenance. Stakeholders have voiced a need for coordination with City clean ups and ongoing maintenance. There is an effort to address the ongoing maintenance issue. ■

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Hartnell President Hsieh Resigns

Governing Board Accepts Resignation of Superintendent/President Dr. Patricia Hsieh

The Hartnell Community College District Governing Board on June 16 accepted the resignation of Superintendent/President Dr. Patricia Hsieh, effective June 30.

Dr. Hsieh joined Hartnell in September after working for nearly 14 years as president of Miramar College in the San Diego Community College District.

In a statement shared with Hartnell employees on June 15, Governing Board President Aurelio Salazar Jr.

stressed the importance of maintaining confidentiality on personnel matters for all employees. He also noted that Dr. Hsieh had been unable to attend the board's previous meeting on June 2 because of a family medical emergency.

"Our thoughts are with her and her family, and we wish them the very best," Salazar said in the statement.

Salazar announced during the June 16 board meeting that he planned on June 17 to announce an acting superintendent/president who will serve for up to 30 days, as authorized under board policy. Subsequently, the board will appoint an interim superintendent/president who will provide college leadership until a permanent replacement is chosen.

"We are grateful to Dr. Hsieh for her service to Hartnell and its students," Salazar said. "We will now set our sights on finding a new leader to join with the entire Hartnell College community as we maintain our intense focus on student success and meeting workforce needs in the greater Salinas Valley."

He pledged that the work of selecting a permanent successor to Dr.

Hsieh will need "all hands on deck" to ensure broad campus and community engagement in the selection.

Emphasizing the word "community" in the district's name, Salazar said, "I know that this board will want to make sure that all industries, all sectors have a voice in selecting the next superintendent."

Board Vice President Pat Donohue commented that she will remember Dr. Hsieh for her "tireless energy."

"She served tirelessly during this particularly challenging time – the pandemic, the move to

online classes exclusively, advising the Board on looming budget issues – always mindful of keeping our students' success first," Donohue said.

During Dr. Hsieh's tenure, Hartnell broke ground on four major construction projects that are being funded with Measure T bonds, which district voters approved in 2016.

On the Main Campus, work is nearing completion on a new central plaza and modernization of classrooms in Building D, and work continues on the new Center for Nursing and Health Sciences, which will be named for the Salinas Valley Memorial Healthcare System. The other two current projects are expansion of the King City Education Center and construction of a new Soledad Education Center, with construction also set to start this fall on a new Hartnell center in Castroville.

In addition to a switch to online learning because of COVID-19, the past nine months have also been focused on preparation for Hartnell's College Redesign plan, including establishment of academic program groupings known as meta-majors, intended to guide students into career areas that match their interests. ■



Salinas Creates Business Recovery Task Force

Your Salinas Valley Chamber of Commerce has been reaching out to local elected and appointed public officials since the first coronavirus public health orders were imposed in mid-March. Chamber officials have communicated regularly with the City of Salinas economic and community development staff and city council members about business relief and recovery strategies.

When the Salinas City Council's Housing and Land Use Committee scheduled an item on its May 19 meeting agenda to establish a "Small Business and Economic Recovery Taskforce," the Chamber was quick to provide input.

In a letter to the committee, the Chamber agreed with staff observations about the city's need for the task force. The Chamber proposed two possible goals for the Salinas COVID-19 Small Business and Economic Recovery Taskforce:

1. Informing businesses about the protocols in the public health orders for operations.
2. Helping businesses to overcome challenges and difficulties in setting up the protocols.

The Chamber's letter also identified four anticipated challenges for Salinas small businesses to obey the protocols in order to open and remain open:

1. Lack of money to obtain protective equipment and infrastructure.
2. Lack of availability of this protective equipment and infrastructure.
3. Lack of capability to understand the guidelines and standards.
4. Being undercut by competitors who either can't comply or deliberately choose not to comply.

Finally, the letter committed the Salinas Valley Chamber of Commerce



to submit names of strategic community leaders who would bring positive, proactive, and diverse thinking to the task force. The Chamber also recommended

inclusion of at least one health care and/or medical expert on the Task Force.

At the May 19 meeting, the Housing and Land Use Committee approved the establishment of the Small Business and Economic Recovery Task Force. The committee appointed the Chamber's CEO Paul Farmer to the task force, along with the following local business leaders: Ralph Bozos, Donna Bruhn, Alejandro Chavez, Margaret D'Arrigo, Leyln Furey, Carmen Herrera-Mansir, Jay Jadav, Sal Jimenez, Cindy Merzon, Orlando Osonio, Griselda Rodriguez and John Tilley.

Representing the City of Salinas:

Mayor Joe Gunter, Councilmember Gloria De La Rosa, Community Development Director Megan Hunter, Oscar Resendiz and Rosanna Herrera

The Task Force has been meeting every Thursday, starting on May 28. Your Chamber's President and CEO Paul Farmer has been participating as a Task Force member and has been working to help obtain personal protection equipment (PPE) so businesses can comply with the law. In particular, the Chamber thanks our member and community partner Salinas Valley Memorial Healthcare System for their extraordinary efforts to help businesses by using their buying power and resources to supply PPE and other resources at no cost.

Contact Paul Farmer at 831-751-7725 or at President@SalinasChamber.com with questions, requests, or comments about the Small Business and Economic Recovery Task Force. More information can be found at www.cityofsalinas.org/node/6044 ■

and pet grooming businesses) that were in jeopardy of not being allowed to reopen. The Alliance has also established a fledging website with these reports for elected and appointed officials, businesses, and the public to download. Visit it at www.MontereyCountyBusinessAlliance.com.

Leadership Provokes Criticism

Stepping up as a leader attracts criticism and contempt from many directions. That’s something people learn in the “Leadership Monterey County” program (www.leadershipmc.org). Drafting and submitting specific ideas and workplace standards for reopening businesses show the relevance of Chambers of Commerce and by extension, of the Monterey County Business Alliance. Our mission is to advocate for our members and to support their success.

In uniting organizations with likeminded goals and working on specific plans, the Chambers are showing that we are up to the leadership challenge presented by this crisis.

This is a team effort to solve a big problem. If you have recommendations to help us better assist in proposals around business relief and recovery, please contact the leaders of the MCBA, Frank Geisler CEO of the Monterey Peninsula Chamber of Commerce (frank@montereychamber.com) or Paul Farmer, CEO of the Salinas Valley of Commerce (president@salinaschamber.com). For more information on the Monterey County Business Alliance, please visit www.MontereyCountyBusinessAlliance.com ■



**Restoring
Commerce
While
Protecting
Lives**

A Conscientious Proposal from a Diverse Monterey County Business Coalition to Recommend COVID-19 Workplace Safety Protocols for Employees and Customers

DRAFT 1.0
Presented to the Monterey County Board of Supervisors
May 8, 2020

of \$14M in revenues. The City is also incurring another \$5.3 M in additional costs related to the response to COVID-19. Therefore, the total impact at the time of the report was \$19.3M but that number could go up. As the City is required to balance the budget for next year, leaders are considering a variety of options that may include service level reductions, program eliminations, hiring freezes and employee furloughs. Corpuz stated that he wants the public to understand the severity of the situation and that city leaders are working hard to make necessary adjustments. ■

City of Salinas INCREASE IN EXPENDITURES*				
Expenditure Category	FY 2019-20 Adopted Budget	FY 2020-21 Base Budget	Change	% Change
Salary and Wages	50,091,410	52,131,640	2,040,230	4.1%
PERS	18,403,240	21,179,023	2,775,783	15.1%
Health Insurance	9,805,480	10,296,710	491,230	5.0%
Workers Compensation	5,023,160	5,237,400	214,240	4.3%
All Other Salary and Ben.	11,559,835	11,305,805	(254,030)	-2.2%
All Other Non-Operating	45,476,521	45,476,521	-	0.0%
	140,359,646	145,627,099	5,267,453	3.8%

*General Fund, Measure E and Measure G Funds

City Paid Leave	
▶ Paid Administrative Leave	
▶ \$812,711 (March 18 – April 12)	
▶ 80 Hours	
▶ Families First Coronavirus Response Act (FFCRA)	
▶ \$68,688 (April 1 – To-Date) (expires 12/31/2020)	
▶ 80 hours	
▶ Emergency Paid Sick Leave (EPSL)	
▶ Public Health Emergency Leave (PHEL)	
▶ Federal government is <u>not</u> paying Cities for this	

Chinatown's Moon Gate Plaza Houses Interim Clients

Twenty-two Interim Inc. Clients Find Housing at Innovative New Moon Gate Plaza Apartment Complex in Salinas' Chinatown

Moon Gate Plaza apartments in Chinatown in Salinas opened in January, benefiting 20 of Interim Inc.'s homeless clients.

The \$40 million housing project, a collaboration between MidPen Housing and the Central California Alliance for Health, is a 90-unit mixed-use housing complex with a particular emphasis on low- and extremely low- income households and the homeless.

The complex connects housing and health services for the highest users of the healthcare system, with 20 supportive apartments set aside for that population and another 20 set aside for clients of Interim Inc., Monterey County's leading provider of adult mental health services and support. The other 50 apartments will provide housing for other low-income residents of Monterey County.

Through a collaboration of local nonprofit organizations, the ground floor of Moon Gate provides a vibrant space that incorporates arts, health and wellness, culture, and educational programming to serve all Chinatown neighborhood residents.

The complex includes a community room with a kitchen, a courtyard with community gardens, bicycle storage, a library and a multi-purpose room. Interim has an agreement with MidPen Housing for 20 of the units to house homeless clients with mental illness. The tenants for the remaining 70 apartments were determined by a lottery of qualified applicants. Two other Interim clients were chosen for apartments in the lottery.

One of the first residents of Moon Gate was Interim client Junior Rangel, who moved in on March 16 from Interim's Shelter Cove transitional housing.



He says that his studio apartment on the third floor is safe and quiet. He is getting to know his neighbors.

"I like that I have an apartment where pets are allowed. I got a puppy. Her name is Diana and she's a corgi/chihuahua mix," said Rangel. "The building has a place where I can walk her and get exercise."

Since many Moon Gate residents have a history of homelessness, some will need to relearn how to budget their income, how to cook healthy meals, and other skills to live successfully in the community. With an office space on the third floor, Interim counselors will provide individualized service plans, assessments, case management and care coordination for these residents.

"The partnership between Interim and MidPen has been fantastic for the referred residents," said MidPen Leasing Director Daniel Fagan.

"The timely action and follow-up by Interim led to the placement of 20 residents. The MidPen and Interim teams communicate and collaborate regularly to better serve the residents,

which in turn will likely lead to stabilized housing for the residents and the community as a whole."

Financing for the \$40 million development was provided by the City of Salinas, the Housing Authority of the County of Monterey, the California Tax Credit Allocation Committee, the Central California Alliance for Health, the Federal Home Loan Bank of San Francisco, and Bank of America Merrill Lynch. Dahlin Group Architectural Planning was the architect and the contractor was Ausonio, Inc. MidPen Property Management Corp. will provide onsite professional property management. ■

Interim, Inc. is a private nonprofit organization that provides a unique combination of support services, housing and treatment for adults with mental illness in Monterey County. Services provided include affordable supportive housing, residential treatment, mental health and dual-recovery services, case coordination, therapeutic services, outreach and intensive support for homeless adults, supported education and employment, day treatment and peer support. www.interiminc.org

Monterey County Rail Extension Project Update

The following is an update for the "Kick Start" phase of the Monterey County Rail Extension Project.

Status Update - June 12, 2020

Construction crews are working on the following items as we begin Stage 2:

- Roadway, sidewalk, and storm drain demolition on Railroad Avenue.
- Rough grading and excavation for bioretention areas on Railroad Avenue.
- Activating detector loops for the Lincoln Avenue/W. Market Street signals.

Background & Benefits

The Kick Start project is Phase 1

of the overall Monterey County Rail Extension project. The Kick Start Project is focused on improving the existing Salinas train station to accommodate new passenger rail service connecting Salinas to the San Francisco Bay Area and making track improvements at Gilroy to allow through trains to stop at the Gilroy train station.

Improvements to the Salinas station to be constructed as part of the Kick Start Project include a new direct signalized access point to downtown via the extension of Lincoln Avenue across Market Street, a five-bay bus transfer area, bike lanes, and bike lockers, safe pedestrian crossings and sidewalks, and commuter parking. This station will integrate new passenger rail service to the San Francisco Bay Area with existing service by Amtrak intercity trains and buses, MST local buses, and Greyhound intercity buses.

How to Stay Informed

More highlights, project benefits, and new photos can be found at www.tamcmonterey.org/programs/rail/monterey-county-rail-extension ■



A passenger bus departs the Salinas train station traveling along the newly opened extension of Lincoln Avenue.

Urethane Specialists Joins Green Rubber - Kennedy Ag



John P. Green, Vice President of local Chamber member Green Rubber-Kennedy Ag recently announced that Urethane Specialists, Inc. has become a part of Green Rubber-Kennedy Ag. Urethane Specialists, Inc. (USI), is a manufacturer of high-precision, highly reliable urethane parts. USI has built a reputation for quality customer service, along with a loyal following of corporate customers and plant engineers. USI was founded in 1990 by Mike Hodge, a former aerospace prototype tool and die maker dedicated to achieving precise tolerances in manufacturing. The company will continue uninterrupted operations as a division of Green Rubber-Kennedy Ag in Salinas.

Green Rubber - Kennedy Ag is a family business, just like USI. As part of Green Rubber-Kennedy Ag, Urethane Specialists Inc. will continue the same standards of high level of customer care and quality production set by Mike and Kathy Hodge.

USI is especially well known for small precision parts critical to industries including food processing, pharmaceuticals,

printing & packaging, manufacturing & assembly, shipping & distribution. Our own urethane division was established 15 years ago, and we have been casting urethane products for the food processing, harvesting, and industrial markets ever since. Urethane manufacturing is not new to us.

In short, Green Rubber has been producing larger "industrial grade" urethane components for agriculture and food processing, and USI has been manufacturing smaller, but higher performance precision parts for the food and packaging industries. The consolidation of both operations will result in a very broad array of product offerings for all industries, and ultimately improved efficiencies and delivery times.

USI's production equipment and operations have been relocated to our production facility in Salinas, CA. This has enabled us to combine our existing production machinery with USI's equipment and will ultimately result in greater efficiencies throughout the manufacturing process.

To find out more please visit the USI website at www.urethanespecialists.com, or call (800)499-1818 to discuss durable, high quality urethane parts for your company. ■



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Dr. Andrade Welcomed as New Superintendent

Salinas City Elementary School District Welcomes New Superintendent

The Salinas City Elementary School District Board of Trustees has appointed Dr. Rebeca Andrade as the next Superintendent of Schools at tonight's board meeting. After an extensive process that yielded 26 outstanding candidates, the Board identified Dr. Andrade as an ideal

leader due to her innovative approaches to education, strong background experience in elementary schools, strength in collaborative partnerships, and focus on meaningful, student learning and success.

"The Board looks forward to officially welcoming Dr. Rebeca Andrade to our community," said Amy Ish, Salinas City ESD Board President. "As a board, we listened to our community as we conducted this public process, and believe she is a great match to lead our District and community in these unprecedented times."

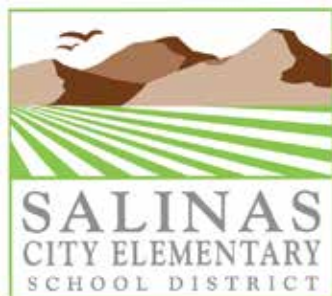
"Salinas City Elementary School District is home to one of the largest agricultural enterprises in our state that serves a community of families with immense cultural wealth, and I am honored to have been chosen as the superintendent," Andrade said. "I am looking forward to listening and responding to the voices of students, staff, families,

and community as we collaboratively re-imagine education. I am committed to strengthening and sustaining the District's mission of providing a well-rounded education that prepares children for the increasingly interconnected and globally competitive world." Andrade added.

Andrade and her family emigrated from Mexico to California when she was 14 years old and knows from personal experience what it means to be and teach English learners. She holds a bachelor's degree from the University of Southern California, a masters in literacy and language from Loyola Marymount University, and received her doctorate in educational leadership from the University of Southern California. Her 23 years of public school experience includes bilingual classroom teaching, 11 years of school administration. She joins Salinas City ESD from Glendale USD, where she served for eight years as

school principal at Mountain Avenue Elementary as well as director leading early education and expanded learning. In this capacity she oversaw 27 school sites in grades preK-8. Andrade is the new superintendent in the district's 152 years.

The Board retained the services of Hazard, Young, Attea & Associates, a national school executive search firm, to assist them in their search. HYA & Associates began the search in April and conducted focus groups, community meetings, and online surveys to provide the Board extensive input in making this decision. ■



Dr. Rebeca Andrade

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Employer's Obligations with Remote Employees

by Sharilyn Payne



As a result of COVID-19, many employers are allowing their employees to work remotely. This arrangement benefits the employer, who can continue to operate, and the employee, who can continue to work and earn wages. With some Shelter in Place Orders in effect indefinitely, working remotely may become the new normal for a while, and employers should be aware of certain obligations.

Non-exempt hourly employees who are working remotely must record their hours worked, the same way they do when they go to the workplace. Employers must ensure that hourly employees are clocking in at the beginning of the workday and out at the end of the workday, and that they are not working off-the-clock. Employers must also ensure that these hourly employees have the opportunity to take one rest break for every four hours worked or major fraction thereof, and to take a 30-minute off-duty meal period by the end of the fifth hour of work if they work more than five hours. These hourly employees must clock out at the beginning of the meal period and back in at the end of the meal period. It is a good practice to regularly check the timecards of these employees to ensure that they are recording their hours worked and meal breaks.

Working remotely also means that employees, both hourly and salaried, may be using their own personal resources for work. For example, these employees may be using their personal cell phones, home computers, and wireless services for work-related purposes. California law requires employers to indemnify their employees

"for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer" Keep in mind that if the employer has provided the employee with items like a cell phone or computer, and the employee chooses to use his or her personal device for work, the employee is not entitled to expense reimbursement as that would not be a "necessary" expenditure. But for the necessary expenditures, employers should make arrangements to reimburse employees, either paying a share of the employees' relevant bills, or asking the employee to indicate a lump sum that would reimburse him or her for the expense. This should be done in writing, with the employee signing an acknowledgment. Expense reimbursements are not part of an employee's income, and no taxes should be deducted. An employer can issue employees a monthly expense reimbursement check. Employers should also keep in mind that if an employee is injured while working from home, such an injury is work-related. Employees should be reminded about the employer's policy on safety and on immediately reporting any work-related injury.

It is a good practice for employers to prepare and issue a remote work policy that reminds employees of their obligations to record time, take breaks, report expenses, and work safely. Such policies should also remind employees that the allowance to work from home as a result of COVID-19 is an exception due to current Shelter in Place Orders, and that once the workplace reopens, the employee is required to attend work in the workplace. ■

Sharilyn Payne is a lawyer with the Fenton & Keller law firm in Monterey. This article is intended to address topics of general interest and should not be construed as legal advice. For more information, please visit www.fentonkeller.com.



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BofA Announces \$1 Billion for Economic Opportunity

Bank of America announced that it is making a \$1 billion, four-year commitment of additional support to help local communities address economic and racial inequality accelerated by a global pandemic. The programs will be focused on assisting people and communities of color that have experienced a greater impact from the health crisis.



"Underlying economic and social disparities that exist have accelerated and intensified during the global pandemic," said CEO Brian Moynihan. "The events of the past week have created a sense of true urgency that has arisen across our nation, particularly in view of the racial injustices we have seen in the communities where we work and live. We all need to do more."

The work builds on economic mobility and workforce development programs Bank of America already supports in local markets, but will sharpen the focus of that work, accelerate the resources, and add a particular emphasis on health services during the pandemic. The announcement is aligned with the company's commitment to responsible growth for clients, shareholders, employees and communities.

Areas of focus will be:

1. Health
2. Jobs/Training/Reskilling/Upskilling
3. Support to Small Businesses
4. Housing

The programs will be executed through the company's 91 local U.S. market presidents and non-U.S. country executives to help develop the opportunities to execute on these commitments in areas that include:

- Virus testing, telemedicine, flu vaccination clinics, and other health services, with a special focus on communities of color.
- Partnerships with historically black colleges and universities and Hispanic-serving institutions in the United States for hiring, research programs, and other areas of mutual opportunity.
- Support to minority-owned small businesses, including clients and vendors.
- Career reskilling/upskilling through partnerships with high schools and community colleges.
- Operating support and investment for affordable housing/neighborhood revitalization, leveraging our nearly \$5 billion in Community Development Banking.
- Further recruitment and retention of teammates in low-to-moderate-income and disadvantaged communities to build on work the company has already done to serve clients locally.

This work builds on steps the company has already taken, including an additional \$100 million to support its nonprofit partners across its communities, and \$250 million to assist with lending to the smallest and minority-owned businesses through its support to community development financial and minority depository institutions. ■



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The Salinas Valley Chamber of Commerce encourages you to shop and dine at local businesses. For every \$100 spent at locally owned businesses, \$73 stays in the community.



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Rebekah Children's Services
(831) 287-3870

Sacred Heart School
(831) 771-1310

Salinas 7th Day Adventist Church
(831) 424-7786

Salinas City Center Improvement Association (SCCIA)
(831) 236-5232

Salinas Firefighters Association
(831) 422-1270

Salinas Police Activities League (PAL)
831-970-7874

SNIP - Spay Neuter Imperative Project
(925) 895-8531

Sun Street Centers
(831) 753-5135

The Read to Me Project
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The Salvation Army
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Times of crisis often create windows of opportunity, and now may be an opportune time to explore strategic market expansion organically or through an acquisition, or involving financial partners that could create outsized value in the coming years.

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Startup Challenge Winners Announced

The Institute for Innovation and Economic Development (iiED) at the College of Business, Cal State University Monterey Bay held the final round of the **11th Annual Startup Challenge Monterey Bay**. Thirty teams of entrepreneurs competed to be the champions. The Challenge this year had over 100 entering companies and was supported by 40 judges and 25 mentors.

This year, the Startup Challenge went completely online. The Challenge held 8 online pitch workshops prior to the Qualifying Round on April 4th. The Qualifying Round pitches are normally held as a live in-person event, but this year the participants prepared their pitches as pre-recorded videos. 24 judges reviewed these pitches and chose 31 finalists in four divisions - Student division, Main Street division, Social Venture division, and Venture division.

These finalists were partnered with mentors to advise them on preparing their business summary and final pitch. The Startup Challenge hosted 8 finalist pitch workshops and rehearsals, a branding workshop, and a COVID-19 financial assistance webinar. Thirty of the thirty-one finalist teams then submitted their Final Round pitch videos,

which were reviewed by a panel of regional business experts. On Friday, May 8th each of the finalist teams had an online Q&A session with the judges, after which the judges made their selections for winners and runners-up.



Congratulations to all of the participants in this year's Startup Challenge! The winners of the 2020 Startup Challenge competition are:

Venture Division:

infiniRel Corporation - Winner
Parallel Flight Technologies, Inc. - Runner-Up
Ex Vivo Automation - Runner-Up

Social Venture Division:

We Hike, Inc. - Winner
Levered Learning - Runner-Up
JMM Dance Co. - Runner-Up

Main Street Division:

Nece's Gluten Free Baked Goods - Winner
Hexbox Fitness - Runner-Up
Monterey Bay Moves - Runner-Up

Student Division:

Howe Neat, Inc. - Winner

For more information about these companies and the Startup Challenge go to StartupMontereyBay.com. ■



Surviving Recent Market Volatility

by Bill Hastie, MBA



Bill Hastie

Since mid-February, the U.S. stock markets have been as volatile as any time in recently memory. February 19 marked an all-time high and by March 23 all three major U.S. equity indices had lost nearly 30%. The market rally in April and May created a very unexpected "V" shaped recovery. And then June 11 came when the Dow lost more than 1,800 points.

Even the most seasoned investor has been rattled by this market. Some employ the "management by denial" technique by not even opening their account statements when they come. Others watch every move the markets make day in and day out. Who is right? It depends on the investor.

How one looks at the markets and how they build their portfolio may have the most to do with survival during volatile times. While it seems to be a mantra for investment advisors, taking a long-term view of the markets is vital. Making short-term, emotionally driven decisions often causes the most pain. As recently as the 4th quarter 2018, the markets did exactly the same thing but took three months to implode rather and just one month this year. But by mid-2019 the markets had fully recovered, and all was well. And until June 11, the Dow and S&P 500 had all but fully recovered. A long-term view of the markets will help "look over the top" of short-term volatility and fight the impulse to make emotional/bad decisions.

The mix of investments in the portfolio is vital as well. The "salsa analogy" seems to work well in explaining this concept. In salsa, most of the flavor comes from the peppers but they can occasionally burn you. To relieve some of the potential for getting burned, we add tomatoes to the salsa –

they do not add much flavor but can take away some of the burn potential. In a portfolio, stocks work like peppers and bonds work like tomatoes.

The investor's risk tolerance will dictate the balance of stocks and bonds (and other investments) in their portfolio. Just as in salsa, those seeking more flavor (gain potential) are willing to risk getting "burned" every now and then. We call this the "teeter tooter" effect, or negative correlation in market terms. The idea is that while some investments may decline in a given market cycle, others in the portfolio will gain thereby offsetting some of the loss.

The more conservative the investor, the more negative correlation will be built into their portfolio seeking to keep a more consistent value. At the other end of the spectrum, the aggressive investor will seek little negative correlation as it is likely to restrain the portfolio from maximum gain potential. Investors in between seek an optimal mix of stocks and bonds that matches their gain/downside protection comfort level.

Through client discovery, a qualified investment advisor can help identify how the client feels about accepting investment risk and quantify their long-term goals. This can help the advisor build and maintain a mix of portfolio investments that best suits the client through even the most volatile of markets. ■

Bill Hastie, MBA is the Founder of locally-owned Hastie Financial Group. If you would like to discuss your personal or company's investment needs, please contact Bill at william.hastie@hastiefg.com



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Salinas Self Storage Offers a Home for Your Stuff

The global pandemic caused by COVID-19 has dramatically altered the way we live our daily lives. For weeks on end, our home was the center of our universe. We sheltered there, worked there, and our kids attended school there. In great haste, we attempted to fit our entire lives under one roof. We transformed dens into workspace. We turned kitchens into classrooms. We converted garages into extra bedrooms as college kids moved back home.

Even though restrictions have eased, the so-called “new normal” has very little room available for excess clutter. In turn, self-storage has never been in such demand.

“People are looking to find extra space,” said Lauren Chocholak of Salinas Self Storage, a family-owned company with the motto: “Less clutter ... less stress.”

“Maybe they’re creating a home office, or an older child has returned home from work or school,” she said. More and more people are moving or are in transition.”

With a recent renovation and expansion project complete, Salinas Self Storage has created the most secure and comprehensive storage facility in Monterey County. The facility located off the new Sala Road exit along Highway 101 remains committed to the safety and well-being of its customers and staff. It offers modern, secure, clean storage, as well as top-level technology to assist customers during this challenging time. What’s more, Salinas Self Storage has made self-storage more affordable, now offering 50% off new rentals for the first four months.

It’s not only homeowners looking for storage options. Salinas Self Storage’s Jack Chilton sees a huge demand among local businesses as well.

“With many still working from home, a lot of offices are downsizing to save on rent,” he said. “To be on a month-to-month lease for a storage unit just makes sense.”

Restaurants operating at a reduced capacity may need storage for extra tables and equipment. Schools evaluating how to hold classes in the fall may need short-term storage for desks and chairs.

Self-storage is a great option, given the affordable pricing and flexible terms. “Self-storage is month to month, and that’s the beauty of it,” said Chocholak. “when you want to leave, you give the manager notice. That’s it.”

During these unprecedented times, Salinas Self Storage also makes safety a top priority.

Customers can take advantage of the online leasing feature and experience a complete “touchless” move-in option.

“If you prefer, there can be no interaction,” Chocholak said.

“You can complete the rental process online from start to finish. You can pay, receive a gate code, purchase a lock and go straight to the facility.” The company’s website offers storage tips and storage unit size guidelines, and customers may pay their bills online at www.selfstoragesalinas.com. However, a manager is also happy to assist customers with the rental process by phone at (831) 444-8080. In addition, the storage facility has a live-in manager, 24-hour security cameras, individual gate codes, door alarms and expansive lighting.

Salinas Self Storage has implemented social distancing guidelines and hygienic protocols within common areas. It also offers complimentary masks and gloves and has hand-sanitizer near the entrance.

“We are well-prepared and follow all CDC guidelines,” Chilton said. “During this pandemic people are constantly weighing options. We want to provide solutions.” ■

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Salinas Self Storage participates in a ribbon-cutting ceremony following the renovation and expansion of its storage facility off the new Sala Road exit along Highway 101.



America's Job Center is Moving to Oldtown Salinas

America's Job Center, also known as the One Stop Career Center, is moving to Oldtown Salinas. AJCC relocated to 344 Salinas Street in Salinas in late May. AJCC has been located at 730 La Guardia Street in Salinas for approximately 22 years.

"We've been planning this move for well over a year and our goal is to be more centrally located for both job seekers and businesses alike," said Christopher Donnelly, Executive Director for the Monterey County Workforce Development Board. "Although AJCC is currently closed to walk-in traffic; due to COVID-19, we're innovating to make resources available virtually by teleconference, over the phone and by email to job seekers wishing to connect for services and we're encouraging them to contact us to learn more." he said.



Across the country, Workforce Development Boards oversee America's Job Centers, where job seekers receive employment information, learn about career

development training opportunities and connect to various program in their areas. "Workforce Development Boards direct federal, state and local funding to workforce development programs primarily located within America's Job Centers," said Donnelly.

During normal times, AJCC offers free access to a resource room, which includes computers with internet, telephones and a fax machine. The AJCC resource room is open to the public on a self-service basis. Staff are available to assist job seekers with building resumes, general career exploration and job search.

"We have experienced career counselors on staff that work directly with job seekers to identify their interests, assess their skills and abilities and advise them on in-demand jobs and potential training opportunities," said Donnelly. "We're looking forward to eventually hosting in person recruiting events, offering workshops on resume writing, interviewing skills and job search activities in the near future."

Job seekers and businesses are invited to review www.montereycountywdb.org for more information about services available at no cost. ■

PG&E to Relocate Headquarters to Oakland

As Part of Commitment to Reimagining PG&E for the Future, Company Plans to Relocate Headquarters to Oakland and Will Seek to Sell San Francisco Headquarters Complex

PG&E Expects to Provide Long-Term Savings to Customers from Reduced Real Estate Costs and the Gain on Sale of San Francisco Complex; Cities of Oakland and San Francisco Expected to Benefit from Increased Tax Revenues

Move Will be Phased over Period of Years; PG&E Will Remain Focused on Delivering Safe, Reliable, Affordable, Clean Energy
Oakland Headquarters Will be Designed as Modern Workspace with Flexible Layout that Promotes Workforce Health and Safety in Light of COVID-19



PG&E Corporation and Pacific Gas and Electric Company (together, "PG&E" or the "company") today announced the company's plans to relocate its headquarters from San Francisco to Oakland beginning in 2022. The move is part of PG&E's broader commitment to implement changes for the long-term benefit of its customers and communities.

PG&E expects the move to achieve near-term cost savings and result in substantially lower headquarters costs for PG&E over a long-term period. In addition, PG&E will request approval from the California Public Utilities Commission (CPUC) to return the net gain realized upon the future sale of its San Francisco headquarters to its customers. These transactions are also expected to collectively have a positive impact on tax revenues for both San Francisco and Oakland.

"Our new Oakland headquarters will be significantly more cost-effective, is better suited to the needs of our business, and is a critical part of fulfilling our commitment to operate in a fiscally responsible way that will enable us to achieve our operational and safety goals," said Bill Smith, incoming Interim Chief Executive Officer of PG&E Corporation. "Savings from lower headquarters costs will tangibly benefit our customers financially. The move will also bring our employees together in new and better ways in service to our customers."

The new Oakland headquarters will be a better and more efficient use of space for PG&E's workforce and provide greater flexibility on layout and density to both promote workplace health and safety and accommodate potential new working arrangements in a post-COVID-19 environment. In addition, commutes should be easier for the majority of headquarters employees who already live in the East Bay.

"Oakland is the perfect fit for us for a host of reasons. It is a thriving hub of industry and innovation in our state, and we look forward to establishing our headquarters and contributing to life there," said Andy Vesey, Utility CEO and President. "We are also proud of our history in San Francisco, where PG&E has been headquartered for 115 years, and we will continue to serve our customers

in this great city. We expect the sale of our San Francisco headquarters will unlock value in a notoriously tight real estate market, no doubt bringing a dynamic new tenant to downtown."

The PG&E move to 300 Lakeside Drive is expected to occur in phases, and PG&E expects to remain in its current location, which includes 77 Beale Street and 245 Market Street, until the move is complete in 2023. PG&E also plans to consolidate two other East Bay satellite office locations—3401 Crow Canyon Road in San Ramon and 1850 Gateway Boulevard in Concord—into the new Oakland headquarters, beginning in 2025. This overall plan will simplify PG&E's Bay Area real estate footprint and lower its operating costs.

Subject to Bankruptcy Court approval and the satisfaction of certain conditions, PG&E will enter into a lease with purchase option for the Oakland property with leading Bay Area developer TMG Partners.

At the developer's own up-front cost, TMG will renovate the Oakland property to PG&E's specifications before PG&E relocates its operations. PG&E anticipates that the renovation and relocation of operations from the San Francisco headquarters complex will be completed in 2023.

PG&E expects to launch a competitive market process to sell the company's San Francisco headquarters office complex. The sale is expected to occur after the company emerges from Chapter 11.

"PG&E has been a steadfast partner for decades to the Oakland Chamber as well as many other civic and community organizations. Their commitment to 'The Town' is deep, and we applaud their decision to go all in for Oakland," said Barbara Leslie, President and CEO of the Oakland Metro Chamber.

"We are thrilled to hear that PG&E will be joining us here in Oakland. We need strong corporate partners to help advance our mission, and we have every confidence PG&E will continue to do just that as a member of our community," said Regina Jackson, President and CEO of East Oakland Youth Development Center. ■

Coronavirus Preventative Actions for Employers

by Spenser Smith, Lab Director, ARCpoint Labs of Monterey Bay

Preventative Action is the Main Tool in an Employer's Anti-Coronavirus Tool Kit

No business in Monterey County has been unaffected by the COVID-19 pandemic. Some have pursued new directions to meet the moment, others have pressed "pause" on entire operations, and many of us are struggling just to stay open.

But as lockdowns ease and life outside of quarantine gradually resumes, businesses are left with the question of what this "new normal" will look like. How can businesses protect their employees and clients? Can an employer require employees to get tested for COVID-19? How does an employer manage safety and liability while resuming operations in the time of coronavirus?

Preventative action is the main tool in an employer's anti-coronavirus tool kit. By denying the virus the conditions it needs to spread, you are protecting more than just your employees' health. You are also protecting your customers, protecting your business from liability, and contributing to the community's efforts at halting the spread.

Use social distancing philosophies, improved hygiene standards, and PPE to promote safety on your premises. Include these measures in your return-to-work training and post relevant notices so that your employees and customers know that your business is looking out for them. Having clear, written policies that are communicated concisely is also important.

Even with the best preventative measures, there remains a risk that the virus can enter your business and try to spread. Effective monitoring efforts can stop a single case from becoming an outbreak. Educate employees and provide opportunities to self-report symptoms. Isolate potentially sick employees quickly. Accommodations like sick time or remote work can improve compliance, and daily temperature-taking can be an early warning.

Prevention and vigilance are essential, but sometimes there is no replacement for reliable, accurate, direct information about whether COVID-19 is present in your business. According to the Equal Employment Opportunity Commission (EEOC), employers are



Spenser Smith, Lab Director,
ARCpoint Labs of Monterey Bay

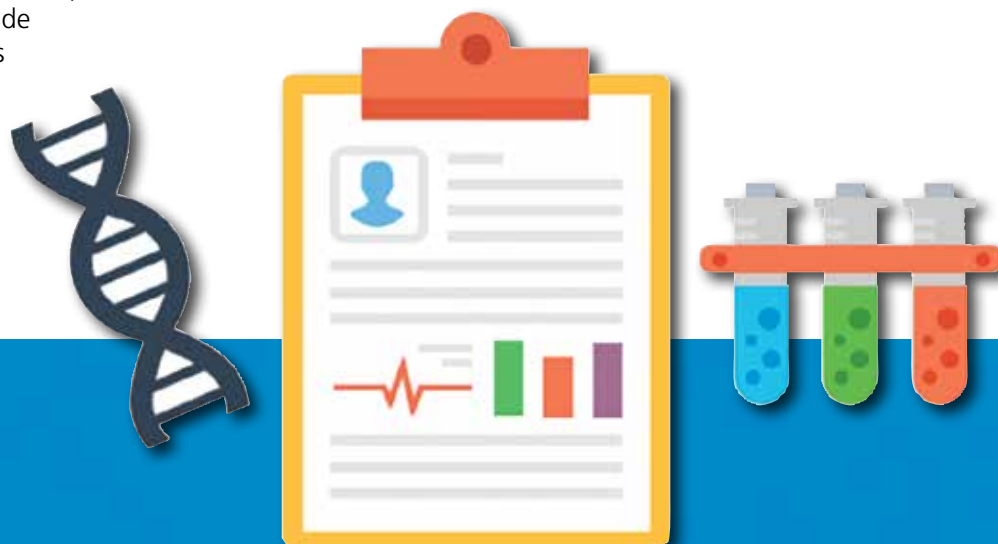
permitted to require COVID-19 screening "because an individual with the virus will pose a direct threat to the health of others."

Routine testing can potentially detect a case before an individual shows symptoms, and before the virus has the chance to spread. Pre-employment or return-to-work testing ensures that people are healthy when they enter a new workplace. It's also important that employers have access to COVID-19 testing for any employee who experiences symptoms or has contact with a positive individual. Done properly, a well-constructed testing program can have a positive return on investment, shielding a business from liability while reducing sick days and preventing possible workplace shutdowns.

Monterey County provides free testing to members of the public. Information can be found at <https://www.co.monterey.ca.us/government/home-covid-response>. Employers who wish to arrange testing can also contact a service like ARCpoint Labs. Our lab offers a full range of services, including live virus rtPCR nasal swab test, rapid antigen and viral testing with 24-48 hour results, antibody testing, on-site and group testing events, and consulting.

Every business is unique. ARCpoint Labs is here to help with a testing and return-to-work strategy that works for your business. Contact Spenser Smith with any questions at (831) 324-0772. ■

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Landlord Options for Delinquent Tenants

by Patrick Casey

Legislation enacted by state, county and local municipalities over the past several months has prohibited landlords from evicting commercial or residential tenants for nonpayment of rent if such nonpayment is due to a reduction of income based upon Covid-19. Most of these prohibitions on eviction are scheduled to expire May 31. However, on May 29th, Governor Newsom issued a new executive order that allows local governments to halt evictions of renters impacted by Covid-19 through July 28th.

To be clear, the state, county and local ordinances do not provide for rent forgiveness. Rather, the tenant still owes the rent but it is up to the landlord and the tenant to agree upon the terms and conditions to make up for any reduced or missed rent payments.

If a tenant cannot pay the rent and the moratorium on eviction remains in effect, then the landlord has various options including: granting some type of rent forgiveness; negotiating a further rent deferral; negotiating a voluntary termination of the lease by the tenant (either with or without an early termination payment); agreeing to allow the tenant to sublease some or all of the premises with all sublease payments going directly to the landlord; or renegotiating the lease to provide more short-term economic benefits to the tenant (such as lowering the rent for the next six months) in exchange for the landlord getting more favorable terms in other

provisions of the lease (perhaps a longer or shorter lease term, eliminating renewal options, increasing the tenant's maintenance or repair obligations, increasing the rent at a defined time, or other such provisions). The parties can also agree upon some combination of these factors. The landlord could also tie the rent to increases in the tenant's gross revenue, effectively obligating the tenant to pay more rent as its ability to pay increases.

In evaluating the options, the landlord needs to understand the tenant's current financial condition and future financial prospects. For commercial tenants, the landlord should request copies of current and projected financial statements. The parties should discuss the likelihood of the tenant being able to restart their business and what that business will look like in the next six months. For residential tenants, the landlord should discuss the tenant's employment prospects for the next six months. If the tenant has been furloughed, when does the tenant anticipate going back to work? Will it be part-time or full-time? If the tenant has been laid off, how much is the tenant receiving in weekly unemployment compensation? What are the tenant's job prospects over the next six months? Tenants may not have answers to these questions but it is important to have this discussion so as to understand what the tenant may – or may not – be able to afford (if anything).

Whatever the parties agree upon, it is inclement to have a written agreement signed by the parties to reflect their new arrangement. ■

This article is written by Patrick Casey, who is a business attorney with JRG Attorneys At Law in Monterey. You may reach the author at (831) 269-7114 or at patrick@jrgattorneys.com.



Member News

Goodwill Names Moran as CEO

Goodwill Central Coast has named Tom Moran, CFO of Goodwill Central Coast since 2018, as its new President and Chief Executive Officer.

Moran had been serving as Interim President and CEO when he was named President and CEO by the Goodwill Central Coast Board of Directors.

Moran brings to Goodwill 20 years of experience in retail strategic planning and finance, including CFO roles at Conn's, Inc., and at West Marine, with prior experience at ARAMARK, Limited Brands, and CarMax Auto Superstores.

He has a bachelor's degree in physics and an MBA.

Moran and his wife Lindora enjoy hiking and the many other outdoor activities that California has to offer.



Tom Moran

Roxanne Departs Chamber

After nearly 8 years of working at the Salinas Valley Chamber, Roxanne Noble Boss departed the Chamber to work for Monterey County Bank. "Roxanne is the first employee that I hired at the Chamber after I became our CEO in 2012. We are happy that she's staying in the area and will be working for one of our valued members," said me, Chamber CEO Paul Farmer.

Roxanne's new role at Monterey County Bank will see her working on Community Relations with Clarissa Rowe. She will maintain relationships with current clients and help build new clients for Monterey County Bank.



Roxanne Noble Boss

Newsom Taps Aera CEO

Governor Newsom recently tapped Aera's President & CEO Christina Sistrunk to join his Task Force on Business and Jobs Recovery. She serves with other prominent leaders in business, labor, health care, academic and philanthropy in developing actions to help Californians recover safely and swiftly from the COVID-19 induced recession. She has been named to the subcommittees focusing on "immediate recovery" and "climate reality" – both of which are important to our local area.

The task force recently sent a letter to House and Senate leaders urging approval of an additional \$1 trillion for California to head off massive budget cuts to local, county and state government. The non-partisan letter notes tough budget decisions for the state and that the requested funding will help our state and cities – and America's economy – come out of this crisis stronger and more resilient.



California Employment Report for May 2020

Source: California Center for Jobs & the Economy

The Center for Jobs and the Economy has released our initial analysis of the May Employment Report from the California Employment Development Department.

[Editor's note: as the Business Journal went to press, this was the most recent information available. For additional information and data about the California economy visit www.centerforjobs.org/ca/.]

While there are continuing technical issues, as described below, with the labor force numbers, BLS analysis of the national data indicates 73% of the unemployed in May were due to temporary layoffs. While this number is beginning to soften as in other data, it is an indication that the current downturn has the potential to remain limited with a more sustained recovery. Most employers expect to resume operation, and most workers expect to be able to return to their jobs.

The numbers in this and other measures, however, are beginning to indicate a greater share of the current layoffs may be permanent, either because of labor reductions or business closures. Whether this incipient trend becomes more pronounced will have a key effect on whether the recovery will be V-shaped—as some private data sources are now beginning to suggest—or whether we are in the initial stages of a “swoosh” recovery with an initial bounce followed by a gradual return to prior job and income levels as projected by Department of Finance and Legislative Analysts’ Office.

Although just beginning to be reported more widely, accuracy of the core data also has remained a question in the prior 3 months. Misclassifications in the household survey continue to underreport unemployment, although various corrective measures are reducing the size of the effect. Response rates continue to drop—15 percentage points lower than in pre-COVID months for the household survey and somewhat lower for the establishment survey due to closed businesses.

California Unemployment Rate Level

16.3%+

 CA Unemployment Rate

California's reported unemployment rate (seasonally adjusted) in May notched down 0.1 point to 16.3%. Continuing COVID-related issues with the core surveys used to estimate the labor force and jobs numbers, however, indicate the actual rate was higher.

Total reported employment dropped 60,700 from the revised April numbers, while total unemployment eased by 25,100.

The actual level of unemployment, however, was likely higher than the reported numbers.

The labor force and jobs numbers are based on surveys done the week of May 12. The UI initial claims data shows substantial continuing increases in unemployment after that date, although now leveling into a range about 8 times above the 2019 averages. More importantly, BLS again indicated there were significant COVID-related issues in conducting the surveys for both the labor force and jobs numbers. While these issues have affected the numbers since March, the effect was somewhat lower but still substantial for the May numbers.

The more significant issue continues to be an elevated number of workers indicating they were “employed, but not at work.” BLS analysis indicates most of these responses should instead have been classified as “unemployed on temporary layoff.” BLS indicates that correcting for this factor would have raised the national unemployment rate by 3 percentage points, down from a 4.8 point effect in April. Similar factors affect the California reported data but, based on analysis of the Current Population Survey data, at a somewhat higher level.

6.2m

 California UI Initial Claims (Since the Week of April 14)

The weekly Unemployment Insurance and Pandemic Unemployment Assistance (PUA—for self employed) initial claims data is an early and broader indicator of the extent of the economic effects from the emergency measures. Through the week of June 23, California's initial claims rose a combined 6,237,667 since the measures went into effect. Following the initial upsurge, weekly claims have remained close to their 4-week average of 310,000. While generally leveling off, claims continue at a rate about 8 times above their 2019 average. These numbers do not translate directly into unemployed and include persons submitting more than one application, applications that are subsequently denied, and persons who find a job after applying. The continuing high levels of initial claims, however, indicates continuing economic effects from the current social distancing measures. This week's report also indicated a rise in the number of workers who have exhausted their regular benefits and are seeking a 13-week extension under the new Pandemic Emergency Unemployment Compensation (PEUC) program. California initial claims were at 425,056 or 39% of total claims nationally. Long-term unemployment was a significant problem in California as a result of the shallow recovery from the 2008 recession. The PEUC numbers will be an early indicator of this factor in the current recovery, especially important due to its effect of depressing future wage and income prospects for the affected workers.

13.3%

 US Unemployment Rate

The reported national numbers show US unemployment rate (seasonally adjusted) 1.4 points lower to 13.3%, but more likely was about 3 points higher due to the survey factors discussed above for California. Employment rose 3,839,000 and unemployment grew by another 2,093,000.

LAYOFFS, Top 25 Companies

Employees affected by permanent, temporary and indefinite layoffs, As of June 1, 2020

(Source: California Economic Development Department)

Company name	Total employees
Ross Stores	14,651
Olive Garden	13,666
Tesla	11,239
Kohl's Department Stores	9,636
The Cheesecake Factory	7,756
YMCA	7,665
Levy Premium Foodservice	6,533
Fitness International	6,489
Abercrombie & Fitch	5,911
Bj's Restaurants	5,545

Employees affected by permanent, temporary and indefinite layoffs



Source: California Economic Development Department

Dates reflect the dates listed on notices by companies. Employee totals are cumulative, by type.

Last updated: June 1

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