



# County of San Mateo Strategic Plan for Workforce Recovery

March 1, 2021

**novaworks**



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## Acknowledgements

This report was produced by NOVAworks with funding from the County of San Mateo Board of Supervisors.

This report has a short shelf life due to the evolving nature of the economy and the urgent need to develop recommendations for recovery.

## About NOVAworks

NOVAworks is a federally chartered workforce development agency serving job seekers and businesses in a core service area including San Mateo County and seven cities in northern Santa Clara County. It helps job seekers find career opportunities and helps businesses find talent. NOVAworks serves approximately 5,000 job seekers per year from offices in Sunnyvale, San Mateo and Menlo Park. The NOVAworks Foundation is a 501(c)(3) non-profit that enables NOVAworks to expand its service offerings through donations and grant opportunities from organizations including LinkedIn and Google.org.

In addition to providing direct customer service, NOVAworks leverages a broad and diverse regional network of educational institutions, other workforce agencies and community-based organizations to enhance services available to job seekers and employers. For example, NOVAworks convenes a regional stakeholder group of approximately 50 organizations that share best practices and create a more transparent level of customer service.

The State of California has designated NOVAworks as a “high performing” agency in recognition of creating an efficient workforce system in a fast-changing and disruptive Silicon Valley economy.

NOVAworks became San Mateo County’s workforce board in 2015 after the County Board of Supervisors invited it to replace Peninsula Works, the previous workforce board. A new Joint Powers Agreement was signed at that time by the eight jurisdictions re-confirming the City of Sunnyvale as grant recipient and fiscal agent for NOVAworks.


## Executive Summary

From the fog-shrouded cliffs above San Gregorio State Beach to the sun-dappled salt marshes of Coyote Point Recreation Area, San Mateo County is a community of great contrasts, demographic diversity and economic promise.

In addition to stunning natural beauty and an industrious and entrepreneurial workforce, the county is blessed with a number of resourceful institutions that have long fueled an enviable economic engine. They include three community colleges, a unique collaboration of adult schools and colleges, chambers of commerce, San Mateo County Economic Development Association (SAMCEDA), a thriving labor movement, a coordinated network of community-based organizations and NOVAworks, a nationally recognized workforce development agency.

But the COVID-19 pandemic has rocked this solid foundation to its core. Beginning in March, businesses, particularly those in the hospitality and leisure sector, began to close establishments and shed workers. In 2020, county companies issued 362 notices of mass layoffs (“WARNs”) involving at least 50 full time employees—that impacted 22,754 workers. The corresponding numbers from 2019 were 45 notices affecting 3,459 workers.<sup>1</sup>

**BY THE NUMBERS**



**San Mateo County Demographics**

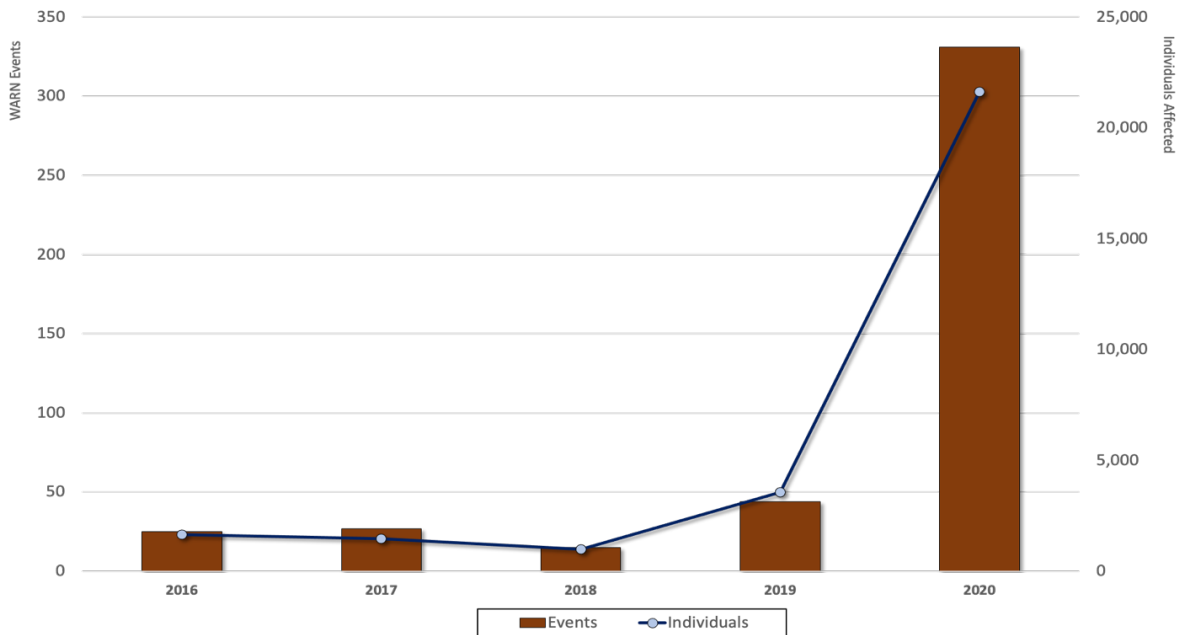
- ◆ Total population<sup>1</sup> 766,573
- ◆ Working-age population (25+)<sup>1</sup> 555,980
- ◆ Labor force<sup>2</sup> 444,300
- ◆ Employed residents<sup>2</sup> 418,600
- ◆ Workers commuting into county<sup>3</sup> 267,027
- ◆ Median age<sup>2</sup> 39.9
- ◆ Male/Female ratio<sup>2</sup> 97.6M / 100F

**Workplaces**

- ◆ Total establishments<sup>4</sup> 47,592
- ◆ Small business (< 10 employees) share<sup>4</sup> 88%
- ◆ Women-owned businesses share<sup>4</sup> 6.5%
- ◆ Minority-owned businesses share<sup>4</sup> 1.2%
- ◆ Change in employment (01/20–10/20)<sup>5</sup> -17.7%

<sup>1</sup> US Census Bureau (2019) / <sup>2</sup> California EDD (2021) / <sup>3</sup> US Census: On-the-Map Tool (2018) / <sup>4</sup> Econovue (2021) / <sup>5</sup> Tracktherecovery.com (2021)t

Chart 1: WARN Activity: San Mateo County (2016–20)



<sup>1</sup> Source, California Employment Development Department [CalJOBS](https://www.dir.ca.gov/)

By the end of October 2020, San Mateo County had experienced a 17.7 % drop in employment for the calendar year, compared to decreases of 8.2% statewide and 6.7% in Santa Clara County. For small businesses, which are community bedrocks and a traditional source of job growth, the results were devastating. By December 2020, San Mateo County experienced a 44% decrease in the number of small businesses open as compared to January 2020. This compares to a 36.7 % decrease for the state.<sup>2</sup>

Chart 2a/2b: San Mateo County Small Business as Share of All Business (2021) [Small business = fewer than 10 employees]

Chart 2a: Establishment Count

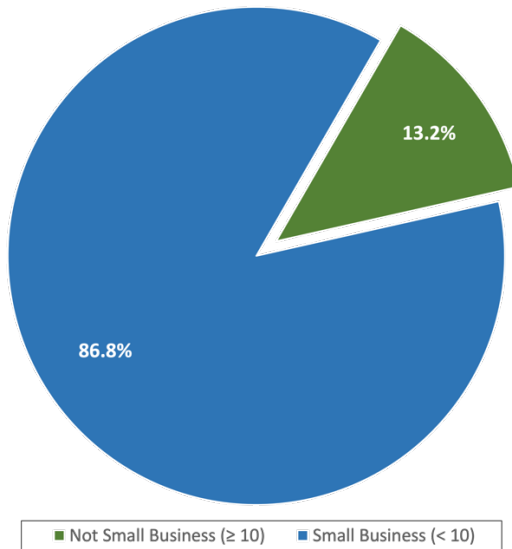
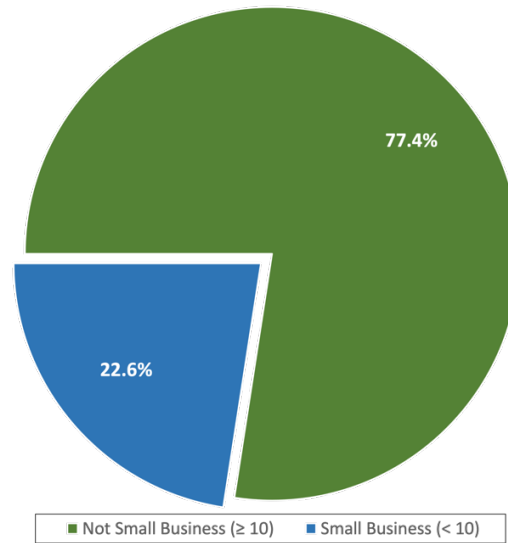


Chart 2b: Employee Count



The pandemic has also deprived small businesses, entrepreneurs and job seekers of access to important networks, depriving businesses of customers and revenues and undermining a sense of community.

**“I’m giving it six months at most.”**

—San Mateo County small business owner

Despite the first arrival of a vaccine in January 2021, a prosperous future is not assured. While most of the region’s technology companies have shifted business models to accommodate consumer demand for remote sales, a majority of the county’s small businesses have not been as agile. While some have met the “pivot to remote services or die” imperative, 57% of county businesses entered the pandemic without remote service capacity, according to a SAMCEDA April 30, 2020 survey. After experiencing multiple health-related shutdowns, many small businesses are reporting that they will have to close in months without significant relief, according to a NOVAworks survey.

“[I’m] giving it 6 months at most,” said an event planner who has begun looking for a corporate job in case she closes her business.

<sup>2</sup> Source, Opportunity Insights [Economic Tracker](#), Harvard University

The pandemic has diminished incomes, crushed worker aspirations and heightened the demand for technical skills related to remote business and communications applications.

“Pre-Coronavirus pandemic I was preparing for new full-time work opportunities,” said a 60-year-old job seeker, who had been job searching at the beginning of 2020. “In the middle of the first COVID-19 lockdown and Shelter-in-Place these possibilities were no longer offered to me because it was unsafe for businesses to reopen.”

Clearly, this is a time for bold and expedited action.

The unprecedented health and economic challenges demand innovation and a community spirit that forges new partnerships, experimentation and newly designed initiatives that meet the emerging needs of county businesses and workers.

“There are lots of opportunities to do good work for the community,” said Jonathan Bissell of the San Mateo County Community College District. “Our job is to make it happen.”

The goals of this report are to produce actionable recommendations that promote economic recovery, economic resilience and greater access to opportunity for all residents.

## Report Context

Responding to the concerns of county residents and businesses, the County of San Mateo has engaged NOVAworks to take the pulse of county workers and small businesses at this moment in time and to leverage that intelligence to develop a series of recommended interventions to help the county emerge from the pandemic intact and ready for future growth.

This effort comes on the heels of a [pilot paid work experience initiative](#) (“WEX”) conceived and completed in the last ten weeks of 2020. Due to the intensifying COVID crisis and its impact on hiring and workplace safety, the WEX project did not meet its initial targets as outlined in the NOVAworks contract with the County. The participant target was 30 individuals; only 8 ended up working at employer locations and 2 of those spent time in quarantine because of COVID exposure concerns (both tested negative). The initial employer target was 20–30 small businesses. Only 4 actually hosted workers: 2 were small businesses and 2 were community-based organizations.

But the WEX initiative yielded valuable labor market intelligence that provides the foundation for this strategic plan. Some prospective WEX employers cited the short project ramp-up time, paperwork requirements and worsening COVID restrictions as factors that dampened business interest. The brief WEX employment period made it difficult for some employers to train participants and blunted any possibilities for worker retention after program completion.

Prospective worker participants turned down the WEX opportunity because of health concerns about working in public-facing jobs and the impact of short-term employment on their Unemployment Insurance claims. One economic development official suggested the \$20 per hour WEX salary was not competitive with grocery stores and other employers and might have dissuaded prospective participants.

Faced with shelter in place orders, some small businesses understood the concept of hiring remote staff but lacked the technology and technical assistance to convert to remote or hybrid business models. Many small-business owners were so focused on economic survival—making the next month’s rent payment—that they lacked the capacity to prepare for additional workers, even at no cost to them.

Through the WEX experience, NOVAworks got a deep appreciation of the pandemic-induced pain and challenges facing small businesses and workers.

This is not an economic development report. There are other organizations currently analyzing the quarterly economic data. Instead, this is a scan of the workforce environment in a pandemic. In this process, NOVAworks has collected real time intelligence from scores of small-business owners, workers and associated intermediaries in order to understand the current regional economic landscape and to determine how and when local employers may rehire separated workers or transition to a “normal” workforce level. By identifying the barriers faced by small businesses, NOVAworks is able to make informed recommendations regarding the potential for interventions that may aid or quicken economic recovery.

This report is designed to complement the three objectives of the SMC Recovery Initiative’s “New and Future Jobs” focus area. They are:

1. gather job market intelligence,
2. provide relevant training programs and get people back to work, and
3. leverage state and federal resources and legislative opportunities.



**Report Recommendations**

Consistent with these objectives, NOVAworks has organized its recommendations around three goals in priority order. The goals are to:

1. prioritize saving small businesses from permanent closure,
2. train unemployed workers for a new economy, and
3. connect employers to workforce talent in a transparent and inclusive manner.

A summary of the recommendations are as follows:

**A. Prioritize saving small businesses from permanent closure**

*1. Establish an office for a COVID-19 Business Recovery Ombudsperson.*

The office would focus on small-business advocacy and knowledge transfer and would be a centralized source of pandemic-related information regarding bankruptcy, cost/benefit analyses, PPP loan advice, and other sources of state and federal assistance, credit repair, legal advice, contingency planning, mental health, and negotiating with lenders and suppliers. Programming would include a peer-to-peer mentorship program for small-business owners seeking technical assistance.

*2. Create a “shop local” campaign.*

The county would offer seed funding for a pilot campaign, highlighting the economic and community-building impact of supporting local business and offering financial incentives to customers. The campaign would focus on local-owned restaurants and retailers.

3. *Ecommerce technical assistance for small-business owners and incumbent workers.*  
 This would be a training program for small-business owners and their incumbent workers focused on digital literacy, digital fluency, social media marketing, and other tools. The initiative would seek corporate donations to loan laptops and other essential equipment to small businesses.

4. *Establish a small-business group purchasing exchange.*  
 Research opportunities to establish collective bulk purchasing exchanges enabling struggling small businesses to benefit from increased economies of scale.

B. Train unemployed workers for a new economy

1. *Convene regional workforce and education leaders to facilitate future hiring and greater access to opportunity.*

The County would convene the leadership from local workforce, education, economic development, and organized labor to act as a think tank that identifies and monitors emerging trends in the local economy.

2. *Paid work experience initiative for unemployed workers, community-based organizations, small businesses and COVID-related emergency services for the County.*

The County would launch a paid work experience pilot program focused on community-based organizations, select small businesses and COVID emergency services for the County. This would be an “earn and learn” opportunity. In addition to work experience, NOVAworks would offer career-assessment support and career navigation training, including curriculum development addressing the challenges of working in a virtual world.

3. *Training with subsidies for unemployed leisure and hospitality workers.*

NOVAworks and partners would implement a comprehensive career navigation and training program for unemployed leisure and hospitality workers. Participants would receive subsidies enabling them to focus on training as well as supportive services payments.

C. Connect employers to workforce talent in a transparent and inclusive manner

1. *Promoting professional networks in disconnected communities.*

Chambers of commerce would expand regional professional networking opportunities by hosting a series of virtual Zoom meetups, particularly those from disconnected communities (e.g., low-income, Black and Latinx, people with disabilities, older workers, undocumented workers, LGBTQ residents). The business intermediaries would also host virtual job fairs and career information sessions as hiring begins to pick up in 2021.

## Report Findings

This report is organized in three main sections. They include methodology (what we did), research findings (what we found), and detailed recommendations for future action. There are also four appendices with examples of free and low-cost resources for small employers and workers, a list of national “pandemic-proof” best practices, a draft implementation strategy for an ongoing small business recovery needs assessment developed by SAMCEDA and a case study of a county business adapting to changing conditions.

### What We Did — Methodology

NOVAworks hired Redwood City consultant Karen Routt to interview and survey county small-business owners, job seekers, chambers of commerce, organized labor, and other intermediaries to gain a clearer understanding of the state of the county labor market in the pandemic economy. The goal was to develop a deep appreciation of challenges and opportunities and to use these qualitative data to form the basis of recommendations for action in 2021. In the process, Routt surveyed and interviewed over 60 individuals. This report also leverages data from NOVAworks’ paid work experience (WEX) pilot program in San Mateo County at the end of 2020. NOVAworks also reached out to various connections at the state of California and national institutions as sources of context and best practices for economic recovery and expanding opportunity. Those sources include the Brookings Institution in Washington, D.C., the Disability Employment Working Group of the United States Conference of Mayors, and the California Office of Apprenticeship and Workforce Innovation. NOVAworks also recruited a diverse team of experts to review and enhance the report recommendations. They include:

- Chris Benner, director, Everett Program, UC Santa Cruz
- Rosanne Foust, chief executive, SAMCEDA
- Lisa Gauthier, city council member, City of East Palo Alto
- Dani Gasparini, vice chair, economic development, Chamber San Mateo County
- Annelies Goger, David M. Rubenstein Fellow, Brookings Institution
- Patrick Kallerman, research director, Bay Area Council Economic Institute
- Rayna Lehman, director, Community Services, San Mateo County Central Labor Council
- Steve Levy, director, Center for Continuing Study of the California Economy
- Tim Russell, program director, Renaissance Entrepreneurship Center, East Palo Alto

### What We Found — Key Problems and Possible Solutions

NOVAworks conducted an informal survey of small-business owners from throughout the county. About 9% reported that they had already closed; 30% did not know how long they could stay in operation or did not expect to close; another 30% expect to stay open for just six months, while 17% say they can make it another twelve months.

Closure is not the only threat to businesses. Declining revenues mean that many owners are no longer able to enjoy discounted supplies through wholesalers. One cafe owner said: “I’m not buying in bulk any longer, so costs have gone up. Now I buy daily. Some days I do well; some days, nothing at all, so we waste a lot of food.”



As disruptive as the past year has been, there is a window to get skills up to par for the future workforce. The business owner survey referenced above also asked about timing for renewed hiring and the skills workers will need when that happens. Almost 40% were optimistically planning for the first quarter of 2021; 20% reported their hiring would begin in the third quarter of 2021, 20% in the fourth quarter, and another 15% are looking at a longer timeframe of 2022 or 2023.

Businesses reported in the survey that they will want to hire workers with skills that reflect the changing workplace and customer demands. Topping the list of desired skills (other than those that are occupation-specific) included:

- social media (40%),
- “21<sup>st</sup> century” skills, such as leadership, resilience, and adaptability (35%),
- remote working (20%), and
- productivity platforms:
  - Microsoft Office (20%) and
  - Google Workspace (15%)

Despite the pandemic-related layoffs and furloughs, some companies are still experiencing talent shortages. Small-business executives representing the industrial sector said they are having difficulties finding qualified workers.

Small-business owners and their advocates, by and large, understand the need to convert business operations to remote or hybrid models, but many lack the technology and the know-how to make the shift.

It’s difficult for business owners and employees “to read emails, order inventory, and apply for Paycheck Protection Program (PPP) funding on a smartphone and tablet,” said Brandon Phipps, economic development specialist for the city of Daly City. “We need computers and WiFi.”

NOVAworks also conducted a survey of job seekers and workers as part of this strategic plan. Respondents overwhelmingly expressed interest in re-training or gaining new work skills. Most were already taking classes to improve themselves.

“Building a stronger support network may provide me with fundamental career and employment resources and opportunities for 2021,” said one professional whose career was interrupted by the pandemic.



There was broad interest in providing both job seekers and small-business owners with easy access to information regarding pandemic mitigation resources and training and career opportunities.

“It would be helpful to have one portal to share information that creates awareness for job seekers about training programs, level of training needed for jobs, career pathways, employment opportunities, salaries and so on,” said James Morante, Statewide Director for Energy, Construction, and Utilities, California Community College System.

The pandemic is encouraging county leaders to consider developing new institutions to address the crisis. Speaking of the concept of a county COVID small-business ombudsman, business owner Dani Gasparini said: “We have known that this type of structure would be good for a long time, but it took the pandemic to make us stop and do something about it. This type of initiative will help us get our house in order.”

Chamber San Mateo County president Amy Buckmaster said: “Now is the time to use our existing infrastructure and partnerships to help on the road to recovery.”

## Recommendations

This process seeks to leverage the county’s resources and breadth in order to convene diverse sets of stakeholders to launch and develop these pilots. Given the urgency of the crisis, one local nonprofit executive stressed the need for the county to engage in a strategic approach with stakeholders. “Do not replicate, duplicate, and recreate the wheel. Find the right partners.”

The recommendations address three key priorities:

- A. prioritize saving small businesses from permanent closure,
- B. train unemployed workers for a new economy, and
- C. connect employers to workforce talent in a transparent and inclusive manner.

The health of small businesses is essential to a strong San Mateo County. These businesses represent the vast majority of the county’s private enterprises. They are a critical source of job growth and essential to the vibrancy and neighborly feel of the county’s local cities and communities. Small businesses have been particularly vulnerable to the pandemic because of loss of revenue and accelerated trends toward remote sales and remote-based workers. Going forward, companies must be able to deliver service remotely and work with a staff that works both in the office and at home. It is critical that the county reinvigorate its small-business population and replace those businesses that closed during the pandemic.

Low-income workers have struggled mightily in the pandemic. They face the most barriers to accessing and benefitting from training. These workers can’t afford to sacrifice earnings for training; they must have economic support while they are in training and access to technology in order to train and work remotely. In the future all workers will need to be both digitally fluent and platform enabled.

Finally, the pandemic has exacerbated the region’s disconnected labor market. Too frequently workers are not able to find jobs that fit their skills, and employers often can’t find the talent they need. The emerging economy demands new connections and more effective professional networks for the county’s economy to thrive in the future. For this to happen, both workers and employers must understand how best to make connections.

NOVAworks will provide action steps and budget ranges for each recommendation under separate cover.

## A. Prioritize saving small businesses from permanent closure

### 1. Establish an office for a COVID-19 Business Recovery Ombudsperson

**Problem:** After ten months of virus-related health concerns and economic shutdowns, many small businesses are struggling to remain open. Many say they may have to cease operations in 6–9 months without significant relief. Major challenges include lack of information about personal and business recovery tools and isolation from peers.

**Recommendation:** Establish an office focusing on small business advocacy and knowledge transfer—an ombudsperson—to be a centralized source of pandemic-related information regarding bankruptcy, cost/benefit analyses, PPP loan advice, and other sources of state and federal assistance, credit repair, legal advice, contingency planning, mental health, and negotiating with lenders and suppliers. Located either within the county or at SAMCEDA, the office would also facilitate a peer mentorship program where successful small business leaders would share resources and thought partnership with their colleagues. Pacific Community Ventures, an Oakland nonprofit, has a one-on-one [mentorship program](#) for small businesses that could serve as a model for San Mateo county. [Another mentorship model](#) comes from Santa Clara University’s Miller Center for Social Entrepreneurship. The ombudsperson’s office would be aware of small business challenges, economic recovery resources and skilled at remote networking techniques. The office would coordinate activities with city business ombudspersons, economic development leads, chambers of commerce, and organizations including SAMCEDA and the Renaissance Entrepreneurship Center. Outcomes from this initiative include building relationships and sparking new business opportunities through more effective networking.

SAMCEDA and Renaissance Entrepreneurship Center are also working on a similar approach. This model envisions building upon the existing small business incubator established by Renaissance in East Palo Alto and creating a network of physical small business support centers supplied by a robust offering of partner services and virtual training opportunities. (The draft implementation strategy developed by SAMCEDA is included as an appendix to this report).

**Prospective Partners:** SAMCEDA, chambers of commerce, city economic development, Renaissance Entrepreneurship Center, industry associations

### 2. Create a “shop local” campaign

**Problem:** The pandemic has accelerated ecommerce trends that have long threatened many small businesses, local jobs and once-vibrant community main streets. Additionally, shelter-in-place orders and fear of infection from vulnerable populations and people with underlying medical conditions have moved people to shop online and away from supporting local retailers.

**Recommendation:** The County would offer seed funding (or assist in identifying philanthropy or other funding) to one city to test a shop local campaign, highlighting the economic and community-building impact of supporting local business and offering financial incentives to customers. The focus would be on local restaurants and small retailers with exclusively local markets. If successful, the initiative would be scaled county-wide.

One option identified by NOVAworks is from Stanislaus County which has launched a [Relief Across Downtown \(RAD\)](#) program providing residents with an app that doubles the impact of their small

business spending in 12 communities. When residents commit to spend up to \$100 at a local business, the county, with its CARES ACT funding, provides a dollar-for-dollar match. The county’s investment of \$2 million has thus amounted to \$4 million in business coffers. The app is available to other areas at no cost.

Another option identified by SAMCEDA is the Colu platform which is an app-based platform that can be launched countywide and also includes co-branding opportunities for individual cities, chambers, business districts, etc. Colu powers civic engagement, which creates value for all stakeholders in some of the following ways:

- **Address challenges:** Publish city challenges, such as shopping in a struggling area, or encouraging improved mobility, healthier lifestyles and more, while rewarding residents for taking real actions.
- **Communicate events & surveys:** Use the app to directly communicate with your residents by publishing events that you want to promote and by sending personalized surveys.
- **Promote local businesses:** Promote your local businesses, minority-owned, women-owned, veteran-owned, LGBTQ-owned on the platform and give them the same powerful tools big brands are using, such as analytics, reporting and more.
- **Fuel your local economy:** Collected rewards can be redeemed at local businesses, thereby turning the city’s marketing budgets into local economy growth drivers; or donated to local nonprofits.



**Prospective Partners:** SAMCEDA, city economic development, downtown associations, chambers, nonprofits, equity groups

**3. E-commerce technical assistance for small businesses owners and incumbent workers**

**Problem:** During NOVAworks’ 2020 paid work experience program for the county, Renaissance Entrepreneurship Center program manager Tim Russell said there are many small businesses that would like to pivot to remote or hybrid operations. But they lack both technical assistance and the technology to make the transition, barriers that threaten their viability during the pandemic.

**Recommendation:** The County would create a training program for small businesses and incumbent workers focused on digital literacy, digital fluency, social media marketing, and other tools. [Facebook’s small business hub](#) is a potential resource. The training initiative would include a pilot program to seek corporate donations and loan laptops, access to WiFi hotspots, and other essential equipment to small businesses.

**Prospective Partners:** NOVAworks, San Mateo community colleges, San Mateo County Central Labor Council, chambers of commerce, Renaissance Entrepreneurship Center, SAMCEDA

#### ***4. Establish a small business group purchasing exchange***

***Problem:*** With pandemic-related revenue losses, many small businesses no longer have the purchasing power to receive discounts for supplies and PPE once available through wholesalers.

***Recommendation:*** Research opportunities to establish collective bulk purchasing exchanges enabling struggling small businesses to benefit from increased economies of scale. This could be a “Costco on steroids” for these businesses.

***Prospective Partners:*** Chambers of commerce, SAMCEDA, Renaissance Entrepreneurship Center, industry associations

## B. Train unemployed workers for a new economy

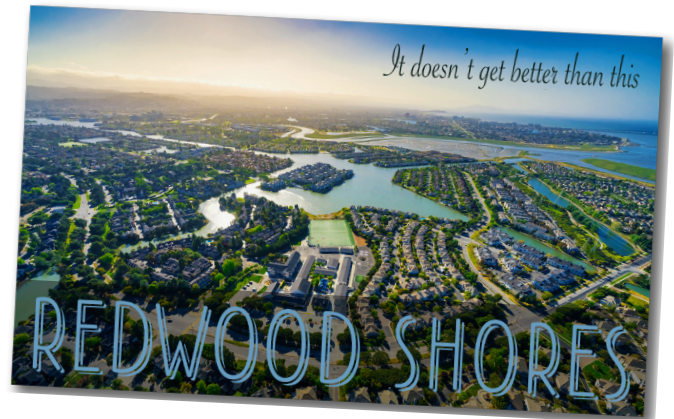
### 1. Convene regional workforce and education leaders to facilitate future hiring and greater access to opportunity

**Problem:** Income inequality has long plagued San Mateo county. The high percentage of low-wage jobs in a high-cost county exacerbates this condition. The pandemic has added additional burdens to the process of connecting employers seeking talent and workers seeking careers. Many smaller employers have stopped hiring. There is a flood of job seekers, including individuals without the skills and professional networks required to compete in a remote or hybrid economy. Smaller employers who are hiring still struggle to compete with global tech giants for high skill talent. Many job seekers remain unaware of the breadth of career opportunities and skills required to work at county businesses. This is particularly true of communities that have been disconnected from the region’s economic mainstream and risk falling further behind in the pandemic. They include older workers, residents of low-income ZIP codes, Black and Latinx residents, people with disabilities, LGBTQ residents, undocumented residents, and the formerly incarcerated.

**Recommendation:** The County would convene the leadership from local workforce, education, economic development, and organized labor to act as a think tank that identifies and monitors emerging trends in the local economy. Ideas and recommendations from this table would be translated to the implementation efforts of the NOVAworks Stakeholders Group (56 organizations), SAMCEDA, the San Mateo County Community College District, and the ACCEL coalition of adult schools and community colleges to ensure alignment of purpose and outcome.

Here are two focus areas worthy of consideration by this leadership team.

1. Pursue a strengths-based talent development approach, seeking to raise job quality and worker skill levels. This approach would prioritize skill assessment and development linkages to employers and industry sectors with specific skill needs. It would prioritize skill upgrades for incumbent workers and identify training opportunities that promote career mobility and access to higher-skill and higher-wage job opportunities. There would be a focused outreach to low wage workers, those from underrepresented populations and those impacted by COVID.
2. Promote apprenticeship and other “earn and learn” opportunities for individuals who cannot afford to quit work in order to enroll in training. In addition, apprenticeship is a proven intervention for promoting equity and diversity, according to Kelly Mackey, regional director of strategic partnerships, California Office of Apprenticeship and Workforce Innovation.



**Prospective Partners:** NOVAworks, San Mateo County Community College District, SAMCEDA, JobTrain, San Mateo County Central Labor Council, ACCEL adult education/community college collaborative, [Everett Program of UC Santa Cruz](#).

## **2. Paid work experience initiative for unemployed workers, community-based organizations, select small businesses and COVID-related emergency services for the County**

**Problem:** Long-term unemployed workers desperately need earnings, training, professional networks and career paths. But, in the NOVAworks 2020 paid work experience pilot, many job seekers turned down work because of fear of exposure to COVID-19. Small businesses lacked the capacity to onboard and train new workers because of a focus on paying bills and remaining open. At the same time, community-based organizations faced talent shortages when pandemic exposure concerns caused many of their volunteers to suspend their service.

**Recommendation:** The County would launch a paid work experience pilot program focused on community-based organizations, select small businesses and COVID-related emergency services for the County. This initiative would be an “earn and learn” opportunity. In addition to the work experience, NOVAworks would offer participants assessments—to best match interest and experience with work experience job opportunities—as well as career navigation training, including curriculum addressing the challenges of working in a virtual world. As a result, participants would gain the skills and networks to support career mobility goals. Part of the program would include heightened COVID health protocols to address job seeker concerns about potential exposure from public-facing employment. Temporary COVID-related services with the County may offer opportunities for job seekers to enter health care careers.

**Prospective Partners:** Thrive Alliance of Nonprofits, Renaissance Entrepreneurship Center, SAMCEDA, NOVAworks, county health officials, San Mateo County Central Labor Council

## **3. Training with subsidies for unemployed leisure and hospitality workers**

**Problem:** The COVID-19 pandemic has been particularly harsh for the region’s leisure and hospitality workers, a group that struggled with low wages and high housing costs prior to March 2020. In addition to the virus-related business shutdowns, restaurant, hotel and airport workers are least able of any sector to shift to remote work. With bleak forecasts for business travel extending well into the future, many leisure and hospitality workers may never return to their previous jobs.

**Recommendation:** NOVAworks and partners would launch a comprehensive career navigation and training program for unemployed leisure and hospitality workers. The training components would include career exploration, skill and interest assessments, digital literacy, digital fluency, working in a virtual world, Microsoft Office and Google Workspace training and “21st century skills” training promoting workplace flexibility, adaptability, self-reliance and the ability to navigate ambiguity. Participants would receive subsidies enabling them to focus on training as well as supportive services payments. Regional employers would play key roles in program development by providing input on in-demand skills and guiding trainees in developing professional networks. Trainings would be in multilingual and multicultural formats.

**Prospective Partners:** NOVAworks, San Mateo County Community College District, San Mateo County Central Labor Council (developed a one-stop training center for airport workers in 2001), adult schools and community colleges represented by the ACCEL consortium, SAMCEDA, chambers of commerce, Brookings Institution (Washington, DC)

## C. Connect employers to workforce talent in a transparent and inclusive manner

### 1. Promoting professional networks in disconnected communities

**Problem:** The pandemic has highlighted the need for professional networking support as both job seekers and small businesses are in crisis and facing greater isolation. With COVID restrictions placing a premium on virtual networking tools and strategies, members of economically and socially disconnected communities risk falling further behind. Those communities include low income, Black and Latinx residents, people with disabilities, older workers, undocumented workers and LGBTQ residents.

**Recommendation:** Chambers of commerce would expand regional networking opportunities by hosting a series of virtual Zoom meetups targeted at small businesses, particularly those from disconnected communities. A [study](#) by the Stanford Latino Entrepreneurship Initiative makes clear that “as an important differentiator in long-term survival, businesses that are networked, or connected to formal business organizations, are obtaining information and helping each other navigate the current business landscape.” These meetups would support brainstorming solutions, sharing best practices, mutual learning and building relationships. These business intermediaries could also host virtual job fairs and career information sessions as hiring begins to pick up in 2021. The [Black Virtual Career Fair](#) could provide a valuable networking template. The career fair provides career advancement and leadership opportunities for Black professionals through a virtual career fair that streamlines the recruitment process. Piloted in the SF Bay Area, BVCF has quickly grown, now matching qualified candidates to employer job opportunities nationwide.

**Prospective Partners:** Chambers of commerce, SAMCEDA, NOVAworks, Black Virtual Career Fair, community-based organizations representing economically and socially disconnected communities.





# Appendix A

## Examples of No- and Low-cost Training Programs Available to County Small Businesses and Job Seekers

**“Working in a Virtual World” workshop - NOVAworks**

- [https://novaworks.org/calendar/workshop/r\\_workingvirtualworld](https://novaworks.org/calendar/workshop/r_workingvirtualworld)
- Available at no cost to NOVAworks customers
- [Enrollment information](#)

**San Mateo County Community College District - Water District career training**

- [Training for careers in the Water District](#)
- Tuition: \$99 (book costs currently sponsored by the Water District)

**Tech Fundamentals Class — NPower**

- <https://www.npower.org/apply/tech-fundamentals/>
- 16-week instructor-led virtual training available at no cost
- Opportunity for a paid internship or a project-based learning experience
- Mentoring from IT professionals
- Eligibility: young adults (18–25) & military veterans and spouses

**Trades Introduction Program - San Mateo Central Labor Council**

- [http://www.sanmateolaborcouncil.org/labor\\_paper/0215article1.html](http://www.sanmateolaborcouncil.org/labor_paper/0215article1.html)
- Introduction to building trades careers
- No cost to participants

**Grow with Google**

- <https://grow.google/>
- Free skills training for job seekers and employers through association with San Mateo Small Business Development Corporation

**Services for Individuals with Disability & Employers seeking diverse talent—AbilityPath**

- Employment Toolkit: “[Making the Business Case: Getting Jobs for People with Disabilities](#)”
- [Self-Directed Activities Website](#) for individuals with disabilities

**Renaissance Entrepreneurship Center — East Palo Alto**

- Workshop: [Kick Start Your Business](#)
- Introduction to REC services
- Information about lessons learned from COVID-19 and small business success stories

**The Job Hackers — Agile Software Development Training**

- [Free training](#) that can lead to professional scrum master opportunities

**Google Workspace training (Formerly known as G Suite)**

- Foothill College
- No cost for enrolled students
- Program launches April 5, 2021
- [Google Workspace](#) includes Gmail, Drive, Meet, Docs, Sheets and Slides

# Appendix B

## Small-Business COVID Resources – A National Perspective –

- **Harvard Business Review:**  
[How Businesses Have Successfully Pivoted During the Pandemic](#)

- **Score:**  
[Pivoting During a Pandemic](#)

- **Entrepreneur:**  
[The Core Elements Needed to Pivot Your Business During a Pandemic](#)

- **Brookings:**  
[Reopening America: The Restaurant Sector Must Adapt and innovate to survive](#)

- **Fast Company:**  
[This interactive tool lets you experiment with different COVID-19 reopening strategies](#)

- **Stanford:**  
[Stanford research provides a snapshot of a new working-from-home economy](#)

- **Bloomberg:**  
[Small business survival guide: Resources for running a small business in the Age of COVID-19](#)

- **CNBC:**  
[A guide to rebuilding your small business for Latino entrepreneurs](#)

## **Appendix C**

### **Ongoing Small-Business Recovery Needs Assessment: Draft Implementation Strategy (SAMCEDA)**



## Ongoing Small Business Recovery Needs Assessment DRAFT IMPLEMENTATION STRATEGY

### Background

Small businesses have been hit hard by the COVID-19 pandemic and *shelter-in-place* orders. Many are closed and others, with varying degrees of success, are adapting their operations to State guidelines which are expected to keep changing well into 2021. But many of the small businesses that are open are just getting by and are uncertain about their future. Losing small businesses will eliminate many good jobs and change San Mateo County communities, downtown districts, and overall ethnic and economic diversity in dramatic ways.

### Challenge

The COVID-19 pandemic and economic recession have surfaced the importance of small and minority-owned businesses in their role as an essential component driving San Mateo County's sub-regional economy, creating jobs, and providing goods and services. Equally important, this crisis has educated policymakers and community leaders about the significant numbers of minority and immigrant owned small businesses, the fragility of their finances, and their lack of access to technology, training, legal services, and traditional financial services and capital to grow.

### Opportunity

Looking ahead, how can San Mateo County in partnership with its 20 cities and towns, nonprofits, and private sector stakeholders better support existing small and minority-owned businesses to survive the current crisis, close if needed without undue legal and financial damage; and create a support structure for existing and future businesses to thrive by having the skills, resources, and support to operate in a post-pandemic regulatory and economic reality?

### Existing Conditions

The following challenges have always existed, but the COVID-19 pandemic, months of *shelter-in-place* orders, and ongoing inconsistency related to State-controlled opening and closing orders have turned the situation dire. These challenges will likely continue until broad vaccination has been achieved:

- Fear of infection by employees and customers, making daily operations challenging and often financially infeasible;
- Challenges with adequate staffing if they do open;
- Declining consumer spending at local businesses and continued shifting to online purchasing and home delivery;



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- Lack of substantial financial reserves to last more than a few weeks or months; coupled with an ongoing inability to access capital in the form of CARES Act programs, grants, and loans at favorable terms;
- Inability to make full and consistent rent and mortgage payments, meet payroll, and keep up with accounts payable;
- Lack of resources to meet the ever-changing state requirements for business reopening mandates, costs associated with construction and remodeling to ensure safe operations for staff and customers, outdoor operations, PPE, and other supplies and materials;
- Slow and onerous local permitting and regulatory processes that are not flexible enough to keep up with the rapid pace of changes that small and minority-owned businesses need to stay open;
- Challenges getting timely and in-language information related to business operations and public health updates;
- Lack of access to the following resources:
  - Computer hardware such as desktops, laptops or tablets
  - Computer software for accounting, inventory, payroll, etc.
  - Reliable and affordable internet connectivity
  - Training to use digital tools needed to create websites, operate e-commerce activities, and market online through social media and digital advertising platforms
  - Traditional banking, financial services and access to affordable capital
  - Legal advice pertaining to lease negotiations, bankruptcy, human resources, etc.

**In Order to Build Resiliency, Pivot Operations, Recover/Reopen, Fail Responsibly, and Scale for Increased Future Success, the Following Needs *Must* Be Met:**

RESOURCES	NEXT 12 MONTHS	NEXT 2 TO 5 YEARS
State regulations and opening	<ul style="list-style-type: none"> <li>● How to open safely and prepare for real-time changes</li> <li>● Bulk purchasing to reduce the cost of acquiring PPE, sanitizing supplies, and other required materials under State reopening guidelines</li> <li>● Timely distribution of information through local comms channels</li> </ul>	



RESOURCES	NEXT 12 MONTHS	NEXT 2 TO 5 YEARS
Local regulations and permitting	<ul style="list-style-type: none"> <li>• How to open safely and prepare for real-time changes</li> <li>• Guidance and streamlined permitting support for remodeling physical spaces, establishing temporary outdoor facilities, and pivoting business models to meet new customer preferences</li> <li>• Collect cell phone and email as part of business license application for communicating information</li> </ul>	
Short- and long-term financial support	<ul style="list-style-type: none"> <li>• Where to obtain emergency financial grants and loans</li> <li>• Tax questions and filings</li> </ul>	
Computer hardware	<ul style="list-style-type: none"> <li>• Free or subsidized computer hardware and technology products – can't run a business on a smartphone</li> </ul>	
Computer software	<ul style="list-style-type: none"> <li>• Free or subsidized computer software to increase productivity and transition to touchless operations and electronic payments</li> </ul>	
Marketing and advertising	<ul style="list-style-type: none"> <li>• Training and support to develop online and social media advertising and customer targeting</li> <li>• Training and support to develop websites and e-commerce platforms</li> </ul>	





RESOURCES	NEXT 12 MONTHS	NEXT 2 TO 5 YEARS
Business operations	<ul style="list-style-type: none"> <li>• Training and guidance on technology, business operations, and productivity</li> <li>• Reliable, robust, and affordable internet connectivity</li> <li>• Training to create apps and QR codes for menus/inventory and touchless operations</li> </ul>	
Training	<ul style="list-style-type: none"> <li>• Training for business owners to understand current conditions and requirements</li> <li>• Training for entrepreneurs and match with mentors</li> <li>• Coaching by industry/sector</li> <li>• Employee training on safety, reopening, etc.</li> <li>• Provide training in multiple languages and formats</li> </ul>	
Legal	<ul style="list-style-type: none"> <li>• Lease negotiation</li> <li>• Contract negotiation</li> <li>• Defending against legal filings</li> <li>• Bankruptcy: <b>how to reorganize</b></li> <li>• Bankruptcy: <b>how to fail without losing everything</b></li> <li>• Immigration issues</li> <li>• Starting a business, partnership, LLC, etc. and protecting personal assets</li> </ul>	
Human Resources	<ul style="list-style-type: none"> <li>• Employee safety</li> <li>• Employee training</li> <li>• Furloughs, firings, etc.,</li> </ul>	



RESOURCES	NEXT 12 MONTHS	NEXT 2 TO 5 YEARS
Banking and Capital	<ul style="list-style-type: none"> <li>• Access to traditional banking services</li> <li>• Access to capital and other financing options</li> <li>• Personal banking and savings</li> <li>• Personal and employee retirement planning</li> <li>• Improving credit scores and past credit issues</li> </ul>	
Regional support	<ul style="list-style-type: none"> <li>• Educate consumers about local options for shopping and services vs. large chains and online retailers – <b><i>“Who’s Open and Why it’s Safe”</i></b></li> <li>• Voluntary and mandatory implementation of “buy local” campaigns to encourage residents, public agencies, hospitals, major employers, and other large businesses to support local businesses</li> <li>• Ensure awareness and access to energy efficiency and other sustainability programs to reduce costs, capture grants and rebates, and ensure operational efficiency</li> <li>• Build a community of learning and partnering between business owners</li> </ul>	

**Needs Assessment Goal**



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- Through a series of stakeholder conversations and focus groups conducted in September and October 2020, test assumptions about existing conditions and identified needs;
- Evaluate with REC where applicants in the \$200,000 loan program are right now vs. assumptions;
- Conduct a survey of small business owners;
- Adjust assumptions based on feedback;
- Identify programs which already exist in San Mateo County to meet identified needs;
- Identify the gaps in programmatic support in San Mateo County to meet identified needs;
- Propose policy and programmatic solutions to fill the identified gaps;
- Develop options to create physical and virtual support centers that bring together the existing and proposed resources, programs, professionals, training, and financial resources to support existing and future small and minority-owned businesses;
- Develop implementation budgets, timelines, partnership models, and ongoing funding estimates needed to create a comprehensive proposal for consideration by the Board of Supervisors and major funding partners.

DRAFT

# **Appendix D**

## **County of San Mateo Strategic Plan for Workforce Recovery**

### **Reach and Teach Small Business Case Study**

**NOVAworks**

# County of San Mateo Strategic Plan for Workforce Recovery

## Reach and Teach Small Business Case Study

### NOVAworks

America's independent bookstores have faced significant headwinds since the emergence and growing dominance of Amazon and other e-tailers.

Then came COVID. The past year's pandemic and shelter in place restrictions have crushed brick and mortar bookstore revenues, slowed foot traffic, and have accelerated trends toward online, on-time, and on-demand shopping.

Despite these challenges Reach and Teach in San Mateo is hanging on and hoping to beat the odds. With its swift COVID adaptations and its ability to leverage core strengths, this independent book and gift store's saga can offer guidance for other small businesses in San Mateo County facing "pivot or die" imperatives.

The Reach and Teach success formula begins with a solid foundation. Owners Derrick Kikuchi and Craig Wiesner have tech backgrounds and once ran a multimedia education company. Because they launched Reach and Teach as an online store and only later opened a physical store, they had a familiarity with remote operations.

Further, Reach and Teach is a niche business with books, toys, fair trade gifts, a social justice mission, and a loyal fan base. Google reviews include: "This store is a local treasure." "Really fun store." "Beautiful store with a beautiful mission."

Reach and Teach's COVID-era business adaptations include:

- **Trade association resources.** The American Booksellers Association has an e-commerce site called [IndieCommerce](#) that Wiesner and Kikuchi were able to quickly adopt because of their tech skills. E-commerce has increased to 25 percent of sales from a negligible amount pre-COVID.
- **Other tech tools.** Reach and Teach has employed [Pointy](#), a sophisticated search tool, [knocknock](#), a livestream app that enhances customer communication and [Anthology](#), point of sale and inventory management software for bookstores.
- **Business mix.** Increasing the percentage of book sales has been valuable as books represent less risky inventory. "We order as we sell," Wiesner said.

- **Multiple shopping options** including in-store, curbside pickup, online ordering, and delivery within a five-mile radius of the store.
- **Business focus.** Kikuchi and Wiesner halted their web consulting business to devote 100% of their resources to the store.
- **An understanding landlord.** Reach and Teach is behind in its rent.
- **Government financial support.** The store benefitted from Paycheck Protection Program (PPP) and SBA loans and a delay in paying state sales tax.
- **Reduced store hours.** Kikuchi and Wiesner devote the extra time to responding to emails and phone calls and filling orders.

Despite these efforts, Reach and Teach's future is not guaranteed.

Ongoing challenges include a number of closed storefronts in the neighborhood that dampen foot traffic and the uncertainty of COVID vaccine rollouts.

Wiesner said he has "never worked so hard to earn so little."