

SANTA BARBARA SOUTH COAST
CHAMBER OF COMMERCE

From Goleta to Carpinteria

Roadmap to Recovery



Chapter 1: Overview and Process

The Santa Barbara South Coast Chamber of Commerce is dedicated to the economic health and vitality of communities from Goleta to Carpinteria on the South Coast of Santa Barbara County. The Chamber helps businesses, residents, and visitors thrive by advocating for responsible public policy, offering networking and community-building opportunities, providing access to business development resources, and supporting visitor services across the region.

The COVID-19 Pandemic has brought massive and unforeseen impacts to the business community in Santa Barbara County, in California and across the United States. It is not only directly in line with our mission, but it is our passion and our expertise to determine a plan and take action to help get businesses, large and small, back on their feet on Santa Barbara's South Coast.

As the nation and the world are buoyed by the news of effective vaccines being administered in phases, and wrestling with the task of inspiring confidence in the vaccines, along with the logistics of delivering and administering them to enough people to create herd immunity, businesses are focused on meaningful recovery and revitalization and long-term job growth along all sectors of the economy.


In South Coast Santa Barbara County, the economic sectors traverse agriculture, hospitality and tourism, high technology and light manufacturing, government, nonprofit, healthcare, education, retail, business services arts and culture, and defense. A series of stakeholder meetings were held in November encompassing these sectors where experts in these fields shared their insights into what is needed for economic recovery and job growth. We compiled comprehensive details about their adaptations, recovery efforts, financial obstacles, and biggest challenges during this unprecedented time.

The primary theme throughout these meetings was businesses must be allowed to remain open and make modifications for COVID safety that allows for ongoing business and economic viability. In other words, this pandemic recovery does not need to be an "either/or" situation, it must be an "and" situation. Businesses must be empowered and trusted to make modifications that protect the public and continue with the movement of goods and services.

While the State of California has the daunting task of creating strategies to minimize the spread of the virus, it appears economic health has been ignored as the focus has been solely on human health. It is our responsibility to broaden that focus to include maintaining the health of the economy. We believe we can have, must have, healthy people and a healthy economy. With each step the State has taken to encourage people to limit interactions it has come at the cost of business. We know this isn't the path to take and we will continue to advocate for local business, create pandemic responses that are helpful and effective for the Southern Santa Barbara County residents and businesses and strengthen the economy.

The Santa Barbara South Coast Chamber of Commerce drafted this plan to map a course for recovery, based on efforts over the next 6 months and beyond, and as long as it takes for our businesses to recover. We have endeavored to establish realistic goals for business opening, tourism growth, manufacturing output, customer visits, financial improvements, and the return of the workforce. We are focused on getting the Goleta, Santa Barbara and Carpinteria businesses back on their feet and thriving, and to offer resources wherever they are needed.

This is a business-community focused plan, featuring tactics and milestones that will help us through and out of the economic crisis. We encourage other communities to adopt elements of this plan, or adopt the plan entirely if it is beneficial, to help re-establish a vibrant economy in communities far and wide.



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Situational Analysis

As this report was published Santa Barbara County was in the purple tier. Santa Barbara, among many other counties in CA had started in the purple tier in September 2020, moved to the less-restrictive red tier in October and back to the purple tier in November based on factors identified in the State of California's Blueprint for a Safer Economy. Each time Santa Barbara County entered the most restrictive purple tier, or even the slightly less-restrictive red tier, the business community suffered. The longer the restrictions are in place, the more drastic and compounding the suffering. The move back to the purple tier in November had the benefit of more clarification of the restrictions in place by the State of CA, with some of the extreme and non-productive restrictions lifted, yet businesses continued to suffer because, as in just one example: no dine-in restaurant can be profitable operating primarily or solely as a take-out operation.

In early December, the businesses took yet another hit when the State of California was organized into regions and issued another Stay-at-Home order for a minimum of 3 weeks that included no outdoor or indoor dining, retail shops open with capacity limited to 20% and non-essential and personal care businesses closed, again. This order was in place all through the holiday shopping season. The Santa Barbara County area was crippled further by being grouped into a broad and large Southern California Region that includes: Imperial, Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura counties. The State also updated the statewide travel advisory to include a ban on non-essential travel—for leisure or recreational purposes—regardless of region, and schools were required to remain in their current mode of teaching without the ability to receive waivers or change the way they delivered education. The Santa Barbara County was looking into a long dark tunnel with not even the faintest flicker of a light.

A coalition of business advocacy groups and government entities sent a letter to the Governor with 5,400 signatures supporting a request for the creation of a tri-county sub-region, removing San Luis Obispo, Santa Barbara and Ventura counties from the Southern California Region. No official response was received. At the same time, businesses began contacting the Santa Barbara South Coast Chamber with growing fears that the shut-down would extend beyond three weeks, well into 2021, and, restaurants in particular, were desperate to find ways to protect their employees during the holidays and beyond.

As we entered 2021, we were in a stay-at-home order, because the number of COVID cases increased while the number of available intensive care hospital beds decreased. We accepted the fact that the COVID-19 Pandemic would be with us through this year, even with the impacts of the virus decreasing as more people are vaccinated and as the cold and flu season ends and warm weather appears. A second Federal stimulus provided a temporary life preserver to businesses whose operations are not yet underwater and to families who continue to struggle to pay rent or mortgage, utility bills and to buy basic needs.

Even with Federal assistance available, a tough blow will come when some employers face the realization they still don't have enough resources to retain employees and to pay rent, and can no longer function without layoffs or even permanent closures.

Chapter 2 Data and Metrics

The Chamber is adamant that all data being collected should be used when making policy decisions, setting guidelines and restrictions. Public health data should be compared to the equally important data about loss of jobs, increase in anxiety and mental health, effects on homelessness and deterioration of communities. We have outlined information from several of our non-profit partners and the UCSB Economic Forecast Project illustrating data from all sectors of our community.

Initial and Continued Unemployment Claims

The unemployment rate in the Santa Barbara County was 13.7 percent in April 2020, up from a revised 5.7 percent in March 2020, and above the year-ago estimate of 3.4 percent. This compares with an unadjusted unemployment rate of 16.1 percent for California and 14.4 percent for the nation during the same period.

The Santa Barbara-Santa Maria MSA saw a spike in the unemployment rate, jumping to 7.6% in December from 5.8% in November. The extended lockdown through Christmas played a major role. The labor force fell by 1,700 (-0.8%) from November. Employment in the leisure and hospitality sector saw the largest employment decline over the month, falling by 1,700 workers (-7.2%).

For the US as a whole, both initial claims and continued claims remain elevated. This is likely to remain the case for a while given there will still be major drama over passing a new relief package.

Meanwhile, the housing sector remains strong with prices in many areas surpassing those before the Great Recession, and housing starts the highest in about 14 years.

Tax Revenue

Government receipts of taxes will create either reduction of services or increased taxes. We will continue to monitor this data.

Debt

The stock market fluctuated with the news about vaccines and political machinations, yet it continues to set records. Government stimulus payments have started to flow into banks which is a relief to many, however, it is important to realize that these payments are increasing the debt and will have to get paid back somehow, sometime.

Commercial Real Estate

The Hayes Commercial Third Quarter Report provided a clear picture of the impacts on office vacancy numbers. Since Q1 the South Coast's available office space grew by 37%, with Santa Barbara, Goleta and Carpinteria expanding by 37%, 20%, and 240%, respectively. In the end, the South Coast office vacancy rate of 7.2% is roughly back to where it was four years ago. However, during that time, Santa Barbara's vacancy has doubled while Goleta's vacancy has halved. In addition, the volume of lease transactions during the past two quarters was 35% lower than the prior 5-year average. On the other hand, average achieved rents have not shown a significant decrease. Also, transaction velocity picked up substantially in Q3 compared to Q2.

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Retail

Seemingly overnight the pandemic divided the retail sector into “essential” and “non-essential,” and those businesses in the latter category predictably suffered a dramatic drop in revenue, at least at their brick-and-mortar locations. Retail lease transactions in 2020 are trending 50% below the prior 5-year average, while the number of available spaces has expanded by 20%. This is similar in scale to the rapid expansion of inventory that followed the crash of 2008 and comports with what we see around us: stores, restaurants, and gyms are struggling, and in many cases closing. On the bright side, the total available square footage (as distinct from the number of spaces) has expanded by less than 5% since the beginning of the year, compared to expansions of 29% and 58% for office and industrial space, respectively.

State Street

In Santa Barbara, the State Street promenade’s outdoor dining has provided a crucial lifeline to restaurants along the corridor. In fact, there are reports that many of those restaurants are enjoying higher revenue with the promenade than before the pandemic. Yet the negative impacts on the businesses on the side streets off of State Street are starting to show. The overall picture of downtown retail continues to be toward increasing vacancy and loss of traffic for soft goods retailers, many of which were struggling before the public health crisis.

On the State Street corridor, there have been only five lease transactions this year, representing a 70% drop from the prior 5-year average. There were two leases in Q3: 927 State St signed by Viva Oliva and 429 State St leased by Salt Bros, both retail shops. Since the beginning of the year, the number of vacant and/or available storefronts along the 400 to 1300 blocks of State Street has increased by 20, pushing the storefront vacancy rate to 17.7%, a record-high, heading into the holiday season.

There are an estimated 60 closed store fronts on lower State Street at this time.

Economic Indicators

The following is a list of data points we will track and update periodically

Restaurant Closures

An estimated 64 Restaurants on the South Coast closed in 2020.

Homelessness

Crisis level spike in homelessness and transient disturbances downtown and at the waterfront are the second largest threat to the economy after Coronavirus. The Chamber recorded 69 reports of disturbances in December alone.





Domestic Abuse – Update from Domestic Violence Solutions

In terms of overall social and mental health – the current pandemic has increased the lethality of domestic violence (more physical injuries), has had a severe impact on clients' (already traumatized) mental and emotional health. Many have come into shelter in a stable mental state, only to deteriorate during the 60-day period. We have seen an increase in the number of homeless individuals seeking shelter at our facilities who are not at current risk for domestic violence. The number of requests for shelter and crisis line calls in general increased over the previous year. Due to the congregate shelter lay-out in Santa Barbara, we had to house individuals and families in Santa Maria (our shelter there has 9 two-bedroom apartments) or in hotels in Santa Barbara.

Child Trauma - Update from CALM Santa Barbara

Since the pandemic began, CALM has experienced a 60% increase in service requests and a 50% increase in clients being served. Sadly, the intensity and severity of trauma incidences have also greatly increased. We are proud that CALM's services have been responsive, stable and consistent to meet the growing needs of our community. However, as we continue to weather the economic, social and emotional stressors of this time, we anticipate a tsunami of mental health need for children and families in coming months and years.

Food Insecurity - Update from Foodbank of Santa Barbara County

The Foodbank learned a lot from the Thomas Disasters and was actively developing and training around our Disaster Feeding Plan last winter, but we never imagined the degree to which we would rely on it when COVID struck our county. Since March 2020, the Foodbank has distributed fully twice as much food as normal to twice the number of people in our community as widespread job losses expanded with every wave of shutdowns and case surges. We learned that in case of major disasters, people will need to receive food at or near their homes and that we need each other! Relationships needed to be built and strengthened, and they were, so when COVID hit, the nonprofit, emergency response, business, education and healthcare sectors were primed and ready to mount a cohesive, collaborative response. That's how we accomplished nearly 60,000 home deliveries and setting up and running more than 50 certified SAFE food distribution sites to serve all neighborhoods of the county.

The experience of so many is dire at this time, and it will take two years, even if full employment bounces back, for people to dig themselves out of postponed mortgage, rent and utility payments, and debt accrued to get by. The Foodbank is proud to have been ready and able to respond swiftly and in targeted ways that have helped thousands survive this protracted emergency. We expect need for food to remain extremely elevated as thousands will remain unemployed or under-unemployed long after the community is able to reopen.

Chapter 3 Our Plan

Get Healthy – Economy, Businesses and People

The Santa Barbara South Coast Chamber of Commerce will continue to focus all of our energy and expertise on responding to the economic crisis as a result of COVID-19. We will continue our work on economic development, visitor services, and small business resources with the understanding of what we stand for in relationship to the crisis.

We will provide a unified vision

The Chamber supports all efforts to slow the spread of COVID and recover our economy. We advocate for a strong economy in a safe, and mindful way.

We will support business

We trust that every business is eager to thrive and therefore adapt and innovate rapidly to meet the changing demands of our customers, the community and the safety of our workforce and the public.

We will continue a path of relentless communication

Our job is to communicate often. COVID-19 is a dynamic situation and the need for information is high. We will be good communicators and a hub for resources and guidance that includes: analyzing information, sharing resources, supporting innovation and quickly responding to change.

We will strive to shape governmental policy

We are working closely with the appropriate government officials to enact both short- and long-term economic recovery plans that impact local industry and businesses in our community.

We will advocate for recovery

Advocacy is an essential skill with which our leadership team is powerfully equipped.

We will work to connect business, education and community

We envision a new level of collaboration with education, as our communities, our families and our workforce depend on a close relationship between business and education.

We will lead by example

We believe in Safe and Smart Santa Barbara County which means safe and smart in our communities from Goleta to Carpinteria.





COVID Safety 5-Step Method for Safe Business Operations

After months of operating through the COVID-19 Pandemic, we have learned a lot about successfully dealing with the virus and how businesses can operate safely and keep their employees and customers safe.

The Chamber is advocating for all businesses to do the following five things. If businesses can operate using these methods, they should be able to open and regulate their own capacity.

COVID Safety 5-Step Method:

1. Mask Requirements: Everyone should wear a mask because they are proven to work. Plan to wear masks until at least June.
2. Sanitize: Continue to implement strict cleaning procedures. Minimize touch, wipe down surfaces, use hand sanitizer and have it readily available.
3. Social Distancing: Everyone should keep a minimum of 6 feet apart at all times however we recommend adopting a 10 feet apart rule. Affix directional and distance signage to indicate rules and processes to adhere to this policy. Shaking hands and gathering are not allowed. Finally, monitor the number of people in an establishment and minimize unnecessary contact to less than 15 minutes.
4. Ventilation Needs: Maintain proper ventilation inside and, whenever possible, conduct business outside. For all businesses that operate inside, use newly proven ventilation methods that clean the air.
5. Plexiglass and Barriers: We recommend that all businesses utilize barriers, like plexiglass or plastic curtains, to add an extra level of protection. This is also a useful tool to reenforce social distancing.

**The recommendations above at the Chamber's recommendations, not current County guidelines. The Chamber's recommendation is that these guidelines are enough, and we will continue to work with County officials to request changes to the County guidance and regulations.*



How we will fulfill our Commitment

The crises-level economic impacts of the pandemic and the recent stay-at-home order from the State required specific approaches to stimulus and recovery. Options, ranging from legal to political tactics, were considered, and ultimately it was agreed that the most productive start would include specific approaches which were implemented in early January 2021 and they included:

1. The launch of a county-wide advertising campaign to humanize the impact of the business closures and put pressure on elected officials to acknowledge the impacts and take actions within their scope of authority to address them. The campaign encourages businesses and community members to contact local officials to encourage them to lead and govern with a more balanced approach in recognizing the role science plays as they make decisions that impact business at the local level.
2. The Introduction of a resolution to the Board of Supervisors and the Goleta, Santa Barbara and Carpinteria city councils with a request for adoption to acknowledging their concern with BOTH the health and economic impacts on our communities, and calling on the State to adapt more targeted and data-driven strategies that support human and economic health.
3. Request to the County of Santa Barbara to add a “Jobs and Education Impacts” update to their weekly televised meetings, immediately following the Public Health Coronavirus update. This presentation should include both data on job/education impacts (e.g. number of businesses shut down, number of employees furloughed, etc.) and individual impact statements from impacted residents.
4. Explored the possibility of submitting a “friend of the court” brief in support of the existing cases currently challenging government restrictions on businesses and continued to watch and monitor potential litigation.

Program of Work

The Santa Barbara South Coast Chamber of Commerce's goal is to get back to business and help the businesses start to produce, deliver and thrive while keeping customers, clients, employees and suppliers safe and healthy.

Support Small Business Program

In an effort to drive revenues to small businesses that have been largely affected by the Pandemic and the shutdowns, the Santa Barbara South Coast Chamber of Commerce is initiating a program called Support Small Business All Season Long encouraging community members to shop small throughout the holiday season and beyond. December is usually a very strong month for small business revenues. Once the year ends, these small businesses enter a crucial 3-month period known as their slow season. During normal years, the slow season is manageable. This year, it is daunting. As a result, the Chamber is encouraging community members to make a dedicated effort to frequently support small business throughout January, February and March, and beyond. In collaboration with the Road Map to Recovery Advocacy Campaign, the Chamber will be promoting small businesses across all of its social media platforms. Small business owners are encouraged to send information for the Chamber staff. In Q2 2021, the Chamber has a digital campaign that will promote our local businesses. We will work with our local media partners who may be able to offer deals to small businesses needing extra promotion.

Santa Barbara Better Together Fund

The Chamber advises and helps to promote The Santa Barbara Better Together Fund. The Fund partnered with all three cities on the South Coast to offer business relief grants during COVID-19. The fund was intended to provide additional support for our local community where there are gaps in Federal and nonprofit foundation support. The primary focus is to support small scale local businesses, helping them to survive during this time of crisis and to ensure they thrive for the long term, so they in turn, can help sustain the vitality of our community. This effort has been extremely successful; however, grants can sustain businesses for only a short time, especially with extended shutdowns.

Paseo Nuevo

Paseo Nuevo is a cornerstone of the downtown corridor and has a significant impact on the future success of the retail and restaurant industry, the local economy and jobs. The Chamber is prepared to participate in on-going discussions, present feedback and offer potential solutions to space, balance and leasing issues.



Restaurants

The California Restaurant Association has joined local advocates, including the Chamber, and restaurant owners to bring attention to the impacts to our small restaurants that have been shut down. The Chamber advocated mightily to preserve outdoor dining before the latest shut-down order was issued by the State of California. We gave detailed and compelling information about the fact that outdoor dining has not contributed to the spread of the virus, and in fact, may have been helping reduce the spread. Families that dine at a restaurant are complying with masks, proper ventilation, distancing and sanitation. If they order take-out meals, there is no guarantee that large groups aren't gathering without the use of these safety measure. We don't know enough about the spread to be certain, but it doesn't seem that after 6 weeks that it's working, since our numbers are skyrocketing.

Elementary and Secondary Education

In order for business to flourish and employees to maximize productivity, schools must be in session on campus. Although many working parents were highly aware of the elementary and secondary school schedules and impact to them and their work, some businesses and organizations were not considering this key element of their human capital. The COVID-19 Pandemic brought to the forefront the need for the link between a productive work environment and schedule and the local school calendar.

Distance learning, hybrid or all in-home models, brought challenges for students, working parents, teachers, employers, and employees without children. The loss of productivity among employees was, in some cases dramatic, and disproportionately affecting women in the workforce.

The Chamber is advocating for schools to be able to open and operate safely using the 5-step Method. Several public school districts opened on a hybrid schedule, or similar, and have been operating safely. We want to thank Carpinteria Unified School District, Cold Spring School District, Hope School District and Montecito Union School District.





Goals and Timeline for Back to Business

The Chamber is proposing a timeline for recovery. We need markers and dates to give us hope and an ability to plan. In the next 6 months, we have the following recommendations for milestones:

1. Immediately: Ensure elected officials include all available data when making policy decisions – considering the economic and social impacts on our communities – not just virus and public health data.
 - a. The Chambers of Commerce in Santa Barbara County are asking all of our local government officials to introduce a resolution expressing support for allowing businesses to operate safely as part of a balanced approach to eliminating the pandemic without sacrificing other aspects of personal and community well-being.
 - b. We have also asked to start presenting economic, jobs and community data to the Board of Supervisors once a month.
2. February 1-March 31, 2021: Businesses should be allowed to operate if they are following the COVID Safety 5-Step Method: masks, hand washing, sanitization, social distancing, ventilation and plexiglass. No other guidelines are needed.
 - a. All businesses should be able to plan and prepare for their re-opening during the next 60 days as they are able use the COVID Safety 5-step Method. The county should continue to give support, approve attestations, and provide all local guidance, with guidelines and enforcement returning to the local level. This includes schools, theaters, recreation and small group travel. Rather than a confusing set of percentages and guidelines, businesses can do the math of how many customers they can accommodate and still abide by social distancing guidelines of 6 feet of separation.
3. March 1, 2021: Schools should be able to open using the same COVID Safety 5-Step Method.
 - a. By March 1st, California's shut down order would have been lifted for more than one month, we will be past the winter spike, we have 12-months of best practices and data to learn from, and it gives our students a good amount of time back in class. Waiting much longer than this timing causes people to lose hope that schools will reopen this year and it prevents our community from starting to rebuild until at least the fall.
 - b. We are supporting the Santa Barbara Unified School District and Goleta Union School District in their request to be allowed to open, since their neighboring district,s Cold Spring Elementary, Hope School District, Carpinteria Unified School District, and Montecito Union school District, have been open and operating on a hybrid schedule successfully.
 - c. As with business, State regulations need to adapt to local circumstances.



Timeline Cont.

4. April 30, 2021: Everyone in our community that wants to get vaccinated should be able to be vaccinated. The Chamber is supporting every effort the State and Public Health are making to distribute vaccines. Local hotels are willing to use their ballrooms and facilities if space is needed. This may be an ambitious goal, but we think we should strive to support our communities in moving as fast as possible to get everyone vaccinated.
 - a. While we support, as everyone does, an accelerated timeline for getting the vaccine out, we do not support changing re-opening plans for businesses or schools based on the timeline of vaccines. They should run concurrently. All plans for recovery have been built around reducing transmission of the virus and that should continue as the vaccine is distributed.
 - b. The timeline for school re-opening should not be tied to new metrics around vaccine distribution.
 5. May 31, 2021: Embracing small group travel. Small business meetings, weddings and gatherings should be permitted following standard safety protocols and best practices.
 - a. Hotels need to be able to start booking some group travel as long as they can comply with safety guidelines. Arts and culture can safely adapt to having small groups. Adopting this timeline allows planning now for the summer months.
 - b. Our communities should be ready by summer to safely allow some gatherings as the emotional, social, and psychological change this will provide is critically important. The resulting economic vitality connected with small group events is of highest priority to recovery in our communities.
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Industry Sector Research and Recommendations

The stakeholder meetings held in November brought together experts who shared insights into what is needed for economic recovery and job growth in their specific business sectors. The insights were peppered with frustrations and challenges. The details about their adaptations, recovery efforts, financial obstacles, and challenges were critical to identifying the elements of this plan.

The most impactful message was clear: Businesses must be allowed to remain open and make modifications for COVID safety that allow for ongoing operations and economic viability. Businesses must be empowered and trusted to make modifications that protect the public and continue with the movement of goods and services. The pandemic recovery does not need to be an “either/or” situation, it must be an “and” situation.

The individual sector reports are enlightening.

Restaurants, Wineries, Breweries

Regulations on restaurants, wineries and breweries have continued to shift throughout the pandemic. Businesses were extremely resilient and creative and built parklets, did takeaway and made sure their workers were complying with all safety regulations. Unexpected shutdowns were devastating to restaurants with perishable inventory. The food industry seemed unnecessarily targeted with no clear nexus to the science and date. Hundreds of employees and low-to-middle income workers lost their jobs. Many restaurants have closed down permanently, and it will take a long time to recover those businesses.

Issues:

- Loss of revenue, staff and catering business.
- Moving to take out is a challenge. So is the changing of hours of operation - difficult to manage.
- Determining if the extension of outdoor dining areas can be permanent.
- Most restaurant owners are renters. Rents due regardless of revenue. Deferring rent doesn't help, revenues are gone for these months. Working with some landlords was a challenge. Landlords still have to pay their expenses.
- Evictions are coming around the corner not just for businesses but also for the labor pool who have been taking advantage of the rent passes.
- Need help meeting payroll. Furlough and layoffs possible, but then what? Employees evicted and move. Where is the workforce then?
- Tent and heater rentals hard to come by.
- Colder weather a challenge because tents can only have one side down. Rest needs to be open air.
- Very challenging to open and close and open and close again.
- Pivot to takeout only caused a need to reduce staffing. Not a win for employees.
- Appreciate the ability for regulators to allow outdoor dining, working with ABC and health dept and cities departments was wonderful!
- The question of survival is one where a yes comes with the analysis “at what cost”? Employees will be hardest hit with loss of income, tips and hours.

What got us through

- Expansion of outdoor dining was very beneficial.
- Move to take out and online ordering for some. Others tried it and realized it wasn't effective.
- Working with suppliers and landlords on payments.

What the Chamber can do to help:

- Get confirmation from cities that outdoor dining structures (parklets, tents) can continue even with pandemic gone.
 - Advocate that restaurants are not super spreader settings. Can operate safely – food handling professionals, we operate in highly specialized safety setting even without COVID.
 - Downtown businesses – 70% of revenue from out of towners. Help promote SB business when open.
 - The loosening of business restrictions was very beneficial. When we had a loosening of business restriction, we saw an increase in business and not a single COVID case. Keep these restrictions loose!
 - We need to advocate to our City and County leaders to do everything in their power to make sure we do not close down outdoor dining. Outdoor dining has been extremely safe. There have been no cases coming from our local restaurants, wineries or breweries. To shut down business that is operating safely to prevent other behavior is not right.
 - Advocate against a broad brush statewide closure is not the answer to the current challenges.
 - The majority of people visiting restaurants/tasting rooms are families/date nights/ people already in each other's bubble. Limiting guest count to 4 per table seems appropriate.
 - We cannot shut down our small businesses without providing relief.
 - We need rapid testing.
 - Interesting hiring challenges today – licensed positions are needed. I'm glad Alma was able to participate and hear all of that discussion.
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Agribusiness

There has been little acknowledgement of how the agriculture industry has suffered. Products are perishable and product loss is a huge problem. With the LA markets being closed, there is no market for distribution. Without weddings, events and restaurants open people don't need flowers for their tables or avocados for their guacamole, and are seen as luxury items when families are buying only basic staples. It is extremely difficult for many of these companies to pivot from wholesale to retail. Agribusiness across the board said if they could be back by Valentine's Day it would make a big difference in their ability to survive.

Issues

- Perishability is high. Product loss is a large issue. Either let spoil or attempted to give away.
- No way to pivot from wholesale to retail because infrastructure doesn't exist for companies and retail is as impacted as wholesale.
- Reduction of workforce and/or hours offered to employees was required. (except cannabis that increased workforce).
- Some flower farms consolidated some went out of business (retired).
- Restaurants and farmer's markets are key customers. Less product needed.
- No events and LA markets closed – no flowers needed. And people aren't buying them for homes with potential job loss looming or actual job loss.
- Looking at new business models, but ultimately the only way to succeed is to have weddings, events and restaurants open again.

What got us through

- USDA funding was helpful.
- Modifications/adaptions to ensure employees worked separated from each other – refurbished old trucks for use so employees didn't need to share vehicles.
- Cannabis business grew both in revenues and workforce. Were instrumental in donating money and manpower to aid COVID impacted businesses and people by creating the 93013Fund. Helped with food distributions, created specifically for supporting COVID related impacts. Example was the program that supported businesses and fed seniors. The Sunday Senior Meals Program.

What the Chamber can do to help:

- Advocate. Highlight the interconnectedness of farming to eating/dining.
 - Work with State to open economy allowing people to move about safely and buy/use food/flowers.
 - Urge local government to delay property tax payment deadline. Encourage local restaurants to buy from local farms only.
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Arts and Culture

Arts and Culture was an overlooked industry during this time. Guidelines were not created for performing arts or for museums, so the industry was forced into complying with rules that make no sense. Many started to create their own safety protocols and prepare to open in a modified fashion and then more closures came. There is no timeline for when many of these establishments may open. As a society, we have learned to appreciate arts and culture in a way that we took for granted before

Issues:

- Most had reduction in staffing. If not, relied on endowment or PPP. Those that usually hire summer staff did not do so. Lost ability to provide enrichment to local youth during summer and schools during the year.
- No live performances allowed indoors, no classes or field trip visitors.
- No specific guideline to follow, so totally confused. Guidelines were not created for performing arts or for museums so forced into complying with rules that make no sense.
- Fundraisers, and a great place to show impacts of mission, usually in person, could not be done.
- Some organizations that took extra time to adapt/modify buildings and operations were set to reopen when 2nd closure was required and didn't actually get to open at all.
- Attendance, both from tourists and locals was down, reducing revenues from ticket sales.
- Those who only take advantage of access through a school or a summer program did not get to attend and experience the enrichment and culture. This is usually the low-income families where students don't get a lot of enrichment.
- Revenue from facility rentals was lost.
- As limitations to operations and services continue, need to find ways to serve the community and how to deliver services. For example, do our visitors now want online and in person opportunities, guided and self-guided experiences?
- People changed giving priorities and moved away from arts and culture.

What the Chamber can do to help:

- Not financially viable to reopen for a low percentage of attendees. Chamber could help at for indoor museum attendance to be more similar to restaurants.
- Help regulators create consistent and clear rules so organizations can modify operations to stay open and compliant. Rules must consider what is realistic for the viability of operations and safety.
- Help find Benchmarks, helpful comp metrics that other industries are using. We should have statewide metrics on a semiregular basis. As employers, it is difficult to discern before we reach year end for tax documents.
- Fundraising will be a big issue moving forward. It always has been, but will continue to be.
- Help with County to re-evaluate operating conditions that are difficult and constricting to allow for more flexibility (self-guided tours) to meet COVID restrictions.
- Get Performing Arts as a category in the Guidelines. Currently, no specific guidance. high level guidelines regarding visitation numbers and employment-based safety. Reopening timeline such as "here's what we need to recover in a reasonable expectation.
- Add 2 different sectors: Live Performance and Museums and 2 different safety factors.

What got us through

- Pivot to online activities, programming and digital lessons.
 - Used time to do repairs and maintenance.
 - Online fundraisers and email campaigns where generous donations came through in support.
 - In some cases, memberships sales have been higher than anticipated, even though members cannot use their memberships in person. Seeing people supporting our mission in this way, not necessarily paying for something they get in return.
 - Reliance on Endowment to pay for some operations.
-

Education

Education is an area as a nation we have struggled with the most. We certainly wanted to do the best job and make the right decisions because our youth is involved. It has been clear that without a guiding principle from the top, nobody has known what to do and we are left with endless uncertainty. Several public school districts on the South Coast opened on a hybrid schedule, or similar, and have been operating safely. We want to thank Carpinteria Unified School District, Cold Spring School District, Hope School District and Montecito Union School District.

Issues:

- Enrollment at SBCC is lower. Enrollment at private and State Colleges higher. Online learning seems to appeal to people.
- Campuses host a lot of people in indoors settings, seated close together. Very challenging to create space and still accommodate all students, staff and faculty.
- Athletics/close contact sports.
- Testing: how/where to offer testing to students, staff and faculty, and how to pay for it.
- Preventing outbreaks.
- How to plan for upcoming semesters and quarters: What course offerings will look like – in person or online or hybrid, campus logistics with spacing requirements.
- How to budget – international students, scholarships, course load. Where cuts can be made.
- Very restrictive guidelines to have in classroom-not feasible economically. 25% is not enough - it will have to be 50% to be economically sustainable.
- Students/instructors not frequenting local businesses which equates to revenue loss in the community when students are learning remotely.
- Arts and Culture need more support than ever.
- Some colleges/universities consolidating or closing.
- Wi-Fi and technology access not consistent for all audiences. Lower income students gravely impacted.
- Employees didn't have child care with schools remote. Lost employees.
- Employee burnout was an issue. Education needed around time management, personal hygiene and mental health.
- What will industry need in the future? How do we bring education back with industry - what does that picture look like?
- If Geographic location can continue to not be an issue it will allow to hire more talented employees/professors. How do we blend old ways with new ways?
- Racial injustice issues are highlighted. Need to work toward stronger diversity, equity and inclusion in all aspects of education.

What the Chamber can do to help:

- Take on a leadership role for diversity issues. Model diversity, inclusion and equity in business.
- Follow up when the vaccine is on the market/after budgets are done. Does this mean Have another focus group?

What got us through

- Reserves!
 - Working from home model for staff.
 - Pivot to online learning improved and/or developed online learning opportunities more fully.
 - Faculty able to get great speakers as they don't have to travel and have more open schedules.
 - Taking advantage of opportunity to create more efficient and streamlined programs.
 - Can import faculty and highly acclaimed speakers and they also bring followers to participate.
 - Opportunities for long-term, flexibility for teachers outside of community. If you can work remotely (if geography is not an issue) and especially if their housing is more affordable, the opportunities are greater.
 - Better workforce if can hire and work from locations other than Santa Barbara/tri-county area.
 - Ability to bring in a larger audience such as 300-400 students via livestream. Typically, not able to host that many people in person.
-



Lodging, Hospitality and Tourism

The hospitality industry has been one of the hardest hit throughout the pandemic. Shutdowns and stay-at-home orders brought leisure travel to a halt. Many local hotels had to close down for periods of time. Hotels were quick to focus on the health and safety of employees and guests and increased their already rigorous sanitation protocols. Hotels and restaurants operated safely throughout summer, leading the economic recovery on the South Coast.

Issues:

- 37% drop in visitors since last year. Dramatically impacting hospitality business.
- Forced reduction in staff – layoffs and furloughs.
- Challenges not being able to plan ahead knowing when we will be allowed to book group and weddings.
- Helping people feel safe while here and staying overnight.
- Helping employees feel safe enough to come to work.
- Increasing and more visible homeless encampments. Areas don't feel safe or look appealing.
- State parks have seen an uptick in business. And usual slow times are not. No lull in business. Exhausted staff.
- Operating 25% is not making anyone money. Can't expect restaurants to keep this up.
- Very challenging trying to establish budgets.
- Events income decimated.

What got us through

- When COVID hit, implement protocols for guests and employees to keep them safe.
- Working with public health to create safe opening and certification plans.
- Tourists taking advantage of good weather and outdoor adventure when leisure travel was open.
- Easy to get to SB by car and small airport.

What the Chamber can do to help:

- Lobby the governor's office re: meetings and special events.
- Work with California Hotel & Lodging association is the one lobbying for us to do this among 58 counties and have all 58 counties to make the same ask so we are collaborating and making sure we have a plan and some sort of timeline.
- Work to make sure Hospitality issues are thoughtful and careful in how rolled this out so they don't get rolled back.
- Help managing homeless situation in our downtown, parks and beaches.
- Find ways to Overlap and connect with the arts and culture/performing arts because they are struggling.
- Marketing to remove travel fear.
- Ideas on how we are going to adapt to the new expectations. (no buffets, wrapped utensils, sanitizer in rooms, etc) 3 diff versions. Best, worst and expect to happen 60/90/120 days.
- Help redefine people's expectations when they come to Santa Barbara. Have to keep up the messaging. Setting expectations politely and with a smile until people are retrained.

Childcare

Childcare workers were doing the work of teachers or at least teacher's aides, without the same level of pay, training, retirement, and health benefits. We need to do a better job of making this job equitable, possible and appealing for the workforce.

Issues:

- Santa Barbara's Childcare system's cracks showed!
- Kids are not used to online learning and the younger the more challenging. Parents working from home or in critical service jobs did not have a way to support their children.
- Families bringing sick children to care setting and staff having to turn them away.
- Inability to decipher COVID symptoms from average cold and flu. Forced to turn child away, putting burden on parents to lose day of work.
- Panicked staff over getting sick.
- Staff with their own childcare issues. Who is caring for their kids while they are at their critical workforce jobs.
- Loss of staff due to childcare issues or fear of the virus.
- Nonprofits doing the bulk of the childcare for essential workers and low income families during COVID.
- When lockdown occurred, childcare also closed, but parents still had to go to work.
- Challenges supporting families whose elementary school children are in online school – changing schedules, different grade levels.
- Budgets – offering services people couldn't pay for.
- Exhausted and frustrated staff. Staff morale challenging. Staff is underpaid!
- Facility space for social distancing.
- Families not able to pay for pre-school kids – keeping them at home instead and missing learning and development opportunities.
- Difficult time hiring due to pay.
- Hard to predict everything: budget, fundraising, staffing, service level and model.
- Lack of youth services and enrichment in SB County.
- Suicide rates are up during Covid.
- Losing talent because they can't afford to live here in Santa Barbara.
- Needed to have made a better investment in technology.
- Challenge to get internet access to kids for home school work.
- How to reach the students and children who lost progress during this time.
- Enrollment numbers were forced to be reduced, turning away families who needed childcare.
- ACES increased – hard to reach because teachers in school usually could catch some of this and recommend child for counseling.
- Inequities among families and socio economics were very apparent.
- Childcare workers were doing the work of teachers or at least teacher's aides, without the same level of pay, retirement, and health benefits. Need to do a better job of making this job equitable, possible and appealing for the workforce.

What the Chamber can do:

- Help on compensation issues operating as employers. Need support for childcare sector. Quality of staff is more important than ever! Need compensation benchmarking and strategies. Need to share information with a localized data collection and benchmark data and then discuss how we can pay more.
- Childcare workers are undervalued and therefore underpaid. This is an exposed vulnerability and lack of data for recruitment of workforce. Undervaluing of caregivers and people of color – if we value childcare, we are going to have to pay for it.
- We need to be loud with county supervisors and need to advocate for childcare funding to pay essential services – make sure they are listening.

What got us through:

- Nimble and dedicated employees.
 - Adaptability to technology.
 - Generous donors.
 - Reassignment of staff to avoid layoffs.
-

Business Services

Although many business services were able to work remotely, there were significant challenges in adapting to remote work and trying to help customers adapt to new technologies. Many small business are paying for rent on offices that they cannot use, with no compensation or accommodations for the reduced hours and ability to work.

Issues:

- Dealing with challenges of trying to plan for the future and stay in business.
- Assuaging employees' discomfort with return to the office setting.
- Adapting to meeting with clients online or phone, or by appointment only. Limits interaction in person with individuals and with groups where those interactions have been beneficial to business and yet to be replaced by technology supported interactions.
- Hesitant to take risks and make investment in new ways of getting back since there is so much unknown. Have plenty of plans, need to move on the plans, but rules and parameters need to be presented by regulators and understood.
- Replacing employees deciding to leave due to re-evaluating priorities and life changes.
- Preparing for a massive economic downturn as an outcome to this pandemic and the way it was handled.
- Impact on our ability to work with local govt. Zoom is a challenge in getting undivided attention and energy of a room full of constituents is missing. And virus takes precedent over all other business, which in the short term is fine, but the longer it goes on, the harder it is on critical business decisions.
- Handling clients personal info with remote workers in remote/unsecured settings.

Business Services Cont.

What the Chamber can do:

- Hopeful that govt will see their role in streamlining process and removing obstacles that are not serving a purpose. Need regulations within reason.
- The ability to create regulations and changes was quick. We should keep this model.
- We need to start talking to people about what their plans are. Creating reserves. Some people have been out of work. Can look around some of these faces and businesses and say that they are feeling serious pain.
- Help inspire confidence in the community that it is safe to return to work, business. Leaders and elected officials need to join that focus.
- Chamber partnering with some kind of hiring agency that can do something to pull resources together and help connect them and a chance to apply for some of these positions, training for these positions.
- Push decisionmakers to open up business, while keeping everyone safe. Offer plan.
- Chamber can advocate for consistency across the Board. If a theater can open up why not open other entertainment open up. Managing the experience to be the same for all sectors.
- Help marketing businesses. Many lost budget for marketing.

What got us through:

- Plan for consistency across all branches. Guideline created. Coming up with a standard. Once employees saw standard they felt more comfortable to come in. Pretty quickly those who were nervous started to transform. Same employees concerned are back to work and following the toolkit.
- Technology and ability to collaborate online. We did much better at this than in pre-Covid times. Forced us to adopt certain technologies.
- Ability to hire employees who didn't need to come to an office. Broader pool.
- SB ability to quickly enact street encroachments for outdoor seating. Good example of brevity and clarity in regulation. Flexible but facilitates getting the job done. Adjusting for the particular situation.



Manufacturing and Technology

Manufacturing has been deemed essential since the beginning of the pandemic but the industry has faced several challenges in keeping operations running. Manufacturers had to work on securing supply chains, physically distancing their production lines and often rework the way their lines were operating. Once this was done much of their work could continue and played a vital role in keeping products moving in American and internationally.

Issues:

- Some employee layoffs. Some had to hire new employees.
- Some changes to vacation time usage – made it mandatory that employees take it.
- Reorganizing office space and donating furniture.
- Rolling out 18-24 months of work and advancements in a short amount of time under pressure.
- Cyber security has had a huge spike in the last 6 months or so, connected to so many people working from home. Connections from home is not always as safe and secure as it should be.
- Quick growth as a result of needs based on pandemic. Making sure permits are coming thru from the cities in a timely fashion.
- Technology upgrades require turning off services. A challenge for end user.
- Accomplished as many upgrades in the past 9 months as they have in the last 3 years. Due to folks working from home.
- Heavy re-investment in community and company.
- Many established companies are doing well.
- Start-ups are fighting to survive, particularly those with touch labor teams.
- Managing employees work from home schedules – productivity without burnout. Scheduling good work practices.
- Concerned with fear of burnout among employees.
- Need to be in physical space for technology and science. Creating a safe space.
- Keeping employees safe when they are moving out and about in the community, gathering, traveling and then returning to work.
- Corporate giving programs are being evaluated to determine what is safest and best for employees. 2021 is going to look different.
- How to create a collaborative environment in the remote work setting.
- Childcare for workers with kids of all ages.

Manufacturing and Technology Cont.

What got us through:

- Making a modern choice - flexibility helps for employee retention.
- Recognizing the cost of living in SB and if not local, the cost of the commute. Employees work from home was a benefit cost wise to some. Maintained their income, and cut commute costs, and freed up some time for other things. This needs to be a long-term view.
- Analyzing physical space needs and adapting to the need for less.
- Global workforce from home. Less than 50% days without asking permission to allow for flexibility. Flexibility Policy - work without asking.
- Learning technology for remote work - GoToMeeting, Zoom, Teams etc.
- Pre-recorded meetings, which appear live - have seen productivity rise.
- Adapted by having cameras and recordings for giving instructions Continuing to improve
- For safety and cleanliness - Removed carpets, spread out furniture, changing how frequently air is filtered.

What the Chamber can do:

- What are some of the modified and good work practices that employers can implement - is there a toolkit for this?
 - Help industry tout the benefits of our adaptations.
 - Provide HR direction and support - how can we develop or adopt new HR Policies?
 - Help businesses understand rules around employment taxes when employees work in another state.
 - Help businesses understand or have access to formulas or models for home compensation, reimbursements.
 - Encourage Light industrial rezoning in Goleta in recovery phase.
-

Retail

Local retail shopping declined significantly in 2020. There was a lot of confusion in the beginning about what was deemed essential. The cost of personal protective equipment was significant for small business owners. Locally owned small retailer burdened where large chain businesses were able to maintain large crowds.

Issues:

- Many furloughs, some turned to layoffs, and others to store closures and tenant losses.
- Employees are college students. Many left town.
- Multiple shutdowns were very challenging for staffing, customers knowing the rules and judging and maintaining inventory.
- Retailers rely heavily on revenue from the December/Holiday busy season. Didn't see the level of sales we needed.
- There is confusion on what is non-essential and essential.
- Curbside service reliant on the store's location. Takes staff to manage the store and deliver.
- Lost the strolling customers who would pop into the shop and find something unique they weren't looking to buy originally.
- Homeless people's presence around retail corridors intensified dramatically.
- What will happen to Paseo Nuevo? Draw to other retail in the area if fully leased.
- Local government revenues have dropped. How to make up for that so city services can continue.

What the Chamber can do:

- Retail industry needs to deem itself essential and be compliant and make sure that we are aware that retail is being compliant.
- Work proactively so we can maintain some level of inside dining. Businesses can't just survive off food to go they need to have some level of food indoors.
- Advocate that there be guidelines that we can follow and keep in place like the County's. Checklist. The chamber took it upon themselves to take a list of compliance deemed appropriate so we can be proactive.
- Take out containers. Started using more which increases impact on the environment.
- Encourage tourism. The risk of losing those day shoppers (as long as we are doing so safely) is way worse than losing our local businesses and potential blow to the economy. Our job is to support that message locally.
- When writing advocacy for retail please consider that these businesses and this sector was hit so hard by fires and floods, we were already on our knees trying to recover. Retail and small businesses were barely hanging on by a thread. We don't need more loans, we've already taken out every loan we can. We need the shoppers back. Because of this we need to advocate for why we are different from SLO and other communities (we were already coming back from fires and mudslides).
- Messaging or social media or program kit provided to merchants that can be sent out to their customers to promote their support and why it's so important.
- Do more than announce we're just open for business, create a personal campaign and collectively come up "experiential" as part of our message. Students had more of an impact on Goleta and Camino Real, the reality is they are doing 70-75% of pre covid numbers. We can't forget buying and supporting part of our local community. Promoting all of the outdoor activities; hiking, biking, the Islands, etc. should be included to support those vendors.
- Address issue of homeless individuals living in the retail corridors. The issue is the 2nd largest barrier for business growth, threat to our economy, and set back.

Retail Cont.

Local retail shopping declined significantly in 2020. There was a lot of confusion in the beginning about what was deemed essential. The cost of personal protective equipment was significant for small business owners. Locally owned small retailer burdened where large chain businesses were able to maintain large crowds.

What got us through:

- Stores with the ability to do online sales benefited.
 - Santa Barbara Better Together Fund's small business grants.
 - Quick ramp up to online.
 - took advantage of e-commerce, local delivery, curbside pick-up and pivoted to making face masks (whole new product line), making sanitizer.
 - Improved e-commerce and new product lines that appealed to people staying at home.
 - Diversified offerings
 - Altered menus to include family meal packs for take home.
 - Offered online ordering for food so no contact at register needed.
 - Curbside pick-up is very appealing to customers.
 - Podcast, videos and interviews and virtual shopping tours for wineries and breweries. As well as friends as families type affiliate promos.
-

Healthcare and Mental Health

Our County didn't have enough mental health agencies before the pandemic and the trauma over the last year has made the need even greater. Schools and businesses are often the main filters for seeing when someone is needing service - without going to school or going to the office some were unable to get the services they needed. Our healthcare providers have been on the frontline throughout the Pandemic and continue to adapt and serve our community.

Issues:

- Have staff openings and aren't finding good candidates.
- Worried about next fiscal year with government contracts renewals .
- Mental wellbeing of our employees. Emotional rollercoaster for our staff.
- Furloughs in place and permanent layoffs.
- Tremendous grief of not being able to live life normally.
- Having to provide Long term care and the strain on the caregiver.
- While not developing 3-year strategic plans have to consider what services our community will need through this health crisis. Evaluate that. Long term vision where you hope to go but strategy according to where you are now.
- Families without access to wifi, internet and devices.
- Non-Profits 60 days are critical for fund development. This will shape how the second half of this fiscal year looks. On track so far but it's too soon to say what November and December will bring.
- Several different platforms out there, zoom, GoToMeeting, Facetime. Staff are needing to explain and train the platform. May not have that technical knowledge to walk people through tech challenges.
- Suicide and drug addiction are up.
- Ensuring that patients who really need to see the doctor go back to their doctor whether it's virtually or in person. If people are not being screened or getting vaccines then that is a big issue. A lot of public health challenges.
- Anticipating the housing crisis that will surface when eviction notices will surface.
- Intimidation to cutting off utilities to taking out people's belongings. Tactics from landlords.
- The emotional devastation on family members dealing with guilt about not only family placement but not being able to see them.
- Ensuring we have the test kits and availability. Challenging supply chain.
- How willing are people to take the COVID vaccine? Encouraging Hospital employees to take it. Dilemma when they refuse.
- Concerned that preventative care is not being sought out or given.
- Traditionally many calls in January about parents aging and many look towards placements. If the number of cases go up placement will not continue to be an option for those folks. The stress issues that will follow.
- Extraordinary time to help those struggling with loss. Postponement of funerals or can't have a standard way of saying goodbye to their loved ones
- Very different way to counsel someone on zoom versus in person. 25 people on waitlist for counseling. Very specific and specialized profession. hard to find someone to help counsel in grief or grieving.
- Assisting lower income people to have basic needs met. Food, services, now that they are not able to pay for it.
- Need to adapt when schools are back in. This will cause a lot more movement in the community. Additional flexibility. Driving time or adapting in other ways necessary.
- Lean into safety. Will take 12-18 months for people to feel comfortable. Reaching out to seniors and then also being willing to pivot.

Healthcare Cont.

What the Chamber can do:

- Important to highlight that employers may be the only people at this time with eyes and ears for mental health for the people who work for them. Recognize the key role they play in overseeing and looking for red flags for being decompensating in any way and to get them the resources that they need.

What got us through:

- PPP loans.
 - Behavioral wellness team in County.
 - When available, clear and consistent message to elderly community and their families on how to take care of themselves.
 - Most of the clients have adapted to the telehealth method.
 - Telehealth. Opened a new access point for people who weren't getting resources before. Something to look forward to in that evolution.
 - Willingness to use the technology is up!
 - Senior citizens jumping on virtual workout classes have been up so much.
-

Nonprofits

Santa Barbara County is home to hundreds of non-profits doing great work and providing much needed services. Throughout the Pandemic the need in our community continued to rise but our local non-profits ability to fundraise went down. Not only could our non-profits not hold many of the events and fundraisers that they would in a normal year, but it was also a difficult time to ask for donations when many people were losing their jobs and there was significant uncertainty.

Issues:

- Many nonprofits have the mission to serve those in need, in non-pandemic times. The addition of the impact of COVID on their missions and clients brought heavily increased workload with same resources or fewer resources, and more complexity and compounded elements to problems people are having.
- Increased need for nonprofits for basic needs support, childcare, mental and physical health, financial/business advising, etc.
- Variety of staffing issues. Some have the same number but they are overtaxed because serving the most in need. Reduction in the workforce or Shuffled employees around into different areas of service.
- Big challenges when a staff person tests positive or is exposed because there is no second string.
- More jobs to fill when COVID pandemic is over.
- Were able to assist a lot of clients with business loans.
- Foodbank - Seeing twice as many people as we normally would be. During the period of the pandemic when it first began, we had to set up 2 additional locations due to the high demand. Have had National Guard assistance. Network of 300+ agencies that get food from the foodbank were affected by the pandemic.
- Focus now is looking at the next 18-24 months. help people get back on their feet.
- Challenges in knowing what's ahead and how to plan, budget and create programs that fit the community needs.

Nonprofits Cont.

Issues Cont.

- Results of pandemic on families, individuals will be felt for a long time. When the average person feels we are through the pandemic, most nonprofit clients won't be.
- Being asked to do so much more than organization funding or relief funding covers.
- Need funding.
- Have been and will continue to dedicate support to moral and mental health of employees at all levels who are supporting clients with preexisting traumas.
- Compassion fatigue and burnout are weakening the strength of the nonprofit sector.
- Need to fill open positions.
- Need to focus on how to get back to the office and ensure employees are safe and feel comfortable and that childcare is available.
- Frequency of change has been a challenge.
- Space for our programs since social distancing is now required for safety.
- Telehealth. Opened a new access point for people who weren't getting resources before. Something to look forward to in that evolution.
- Willingness to use the technology is up!
- Senior citizens jumping on virtual workout classes have been up so much.

What got us through:

- Many government grants were increased this year.
- More liberal and accepting of remote work than we did before.
- Technology use – moved to better platforms, or adopted effective platforms.
- Flattening the decision-making curve so we can make decisions quickly with a quality response
- Telehealth abilities.
- Outdoor space creation for some of our work.

What the Chamber can do:

- Take advantage of this space where business people may be re-evaluating their work passions. Create A campaign to highlight the benefits of working in the nonprofit sector. Benefit from the local workforce moving to the social sector.
- Help connect local higher education institutions to the local nonprofit needs. For example: Would love to see UCSB have a school for Social Work and an internship program.
- Help facilitate communications with higher ed and resources they have for the nonprofit sector.
- Make sure not all funding from Gov or local funders doesn't switch to crisis funding. Still need funding for core operating support. New money needed for crisis, not taking from the existing available funds.

Foundations

Issues:

- Paying close attention to the financial health of organizations and be ready to assist.
- SB Foundation is working with a financial consultant to assess overall nonprofit sector health.
- There are big concerns about how we can provide much-needed childcare.
- The core seems to be holding in the nonprofit sector despite some layoffs (e.g. it doesn't seem as bad as the more-dire predictions).
- Most funders are keeping the focus on basic needs – food, shelter, childcare, and education (digital divide in particular).
- Concerned about what happens when funds from CARES Act, EIDL, and PPP run out.
- There is a significant divide in the “youth and education” sub sectors between public and private organizations.
- Because so many of our youth and education-related programs are reliant on partnerships with public institutions and education districts, maintaining the programs is very difficult.
- Mobilizing as many resources as possible is important – collaboration makes this possible.
- Some funders are more directly impacted than others: those that rely on rental income from rental properties have been hit hard, whereas those that primarily rely on investment returns have generally fared well.
- In the health area, concerns with two primary issues: 1) front-line staff 2) behavioral health.
- Strong investment markets since the March bottom out have helped.
- Focused more here “at home” in SB County than in our broader international work.

What Chamber can do:

- Expanding unemployment insurance and other social safety net programs.
- Continue mass eviction protections.
- More continued collaboration.

What got us through

- Created COVID-19 Joint Response Fund (United Way, SB Foundation, and Hutton Parker Foundation as leads – 35 funders in all). \$5 million has been distributed through the joint fund. More than \$19 million has been collectively distributed by the 35 participating funders because of this coordinated effort.
- Requests have fallen off a bit as of year-end, but we anticipate that it will increase again in the new year (depending on what additional state and federal response materializes).
- Increase in collaborative funding partnerships.
- Focus on the critical work of undocumented workers.
- Virtual healthcare models / tools.
- Nonprofit partnerships that leverage the expertise of different groups .
- Chambers of Commerce have been great partners.
- Building bridges across sectors.
- Pedestrian mall on State Street in Santa Barbara / Restaurants using the street.