Optimization of Los Angeles County’s Workforce and Economic Development Systems

The County of Los Angeles (County) plays a critical role in addressing the economic security and mobility of its residents through its workforce programs and economic development strategies. This role places the County in a prime position to increase its impact on improving the livelihood of its residents and increasing economic development opportunities for high-growth sectors.

On January 5, 2016, the County Board of Supervisors (Board) adopted the 2016-2020 Strategic Plan for Economic Development prepared by the Los Angeles Economic Development Corporation (LAEDC Plan). The County's Economic Development Program, crafted in response to the LAEDC Plan, centers on four priority areas:

1. Workforce and Small Business Programs;
2. Asset Utilization Strategies;
3. Enhanced Project Development Tools; and
4. CDC Loan Funds and Grant Programs

Each of the above shares the common objective to deliver on the economic development promise of job creation, increased investment in the community, and expansion of the local tax base. The LAEDC Plan served as a starting point for the County's Economic Development Program.

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MOTION

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The County’s workforce development programs are primarily administered by the Workforce Development, Aging and Community Services (WDACS) Department, however, some are implemented through other County agencies, such as the Department of Public Social Services and Los Angeles County Office of Education (LACOE). WDACS plays a central role in the delivery of workforce training and job placement services through its American Job Centers of California (AJCC). Over the past several years, WDACS and other relevant departments have made some major strides by improving coordination, linking job services to high growth industries, and conducting more intentional outreach to people with barriers to employment, among others. WDACS has increased its partnerships with community-based institutions and social enterprises; developed a campaign to engage the private sector to hire justice-involved populations; and launched an effort to co-locate employment and training related services in schools and community colleges in underserved communities.

Currently, the County’s workforce and economic development efforts are effective and strong, but could benefit from further consideration with regards to structure. While there has been progress, there is still much to be done in order to increase efficiencies and effectiveness of the County’s workforce and economic development programs. As we near the end of the LAEDC Plan’s timeframe (2016-2020), the County should assess its progress and begin to develop a long-term roadmap.

In the long-term, ideally, the County’s economic and workforce development programs would be seamlessly coordinated and integrated to increase efficiencies and optimize impact. Many jurisdictions have consolidated economic and workforce development efforts (e.g. Orange and Riverside Counties, and the Cities of Los Angeles, San Francisco, and Oakland). Still others have distinct and separate offices for economic development and workforce (e.g. San Bernardino County and New York City), while some cities, such as Chicago, house workforce under a social services department.

On May 8, 2018, the Board adopted a motion directing the Chief Executive Officer (CEO) to hire a consultant to study and evaluate the progress of the activities, tasks, and
strategies laid out in the Countywide Workforce Development Alignment Plan (Plan) submitted to the Board on July 14, 2017. In December 2018, the CEO finalized a contract with the University of California Berkeley’s Institute for Research on Labor and Employment (IRLE). The May 8, 2018 motion aimed to help inform the workforce alignment efforts through an evaluation that leads to concrete recommendations and timelines, while laying a foundation for a discussion on reorganization of the County’s workforce and economic development programs.

As we look at furthering the mission and goals of the County, it is vital to acquire a comprehensive understanding of how the County can better serve its constituents with job training, guiding economically distressed workers into career pathways, and developing and executing economic development strategies to strengthen the local economy. In addition to evaluating and studying the Plan, the County should take a step back and assess the overall County infrastructures in order to further the goals of a coordinated and thoughtful approach to workforce training, job development, and economic development. The Board should explore various structural and organizational configurations and how more streamlined systems can address the daily lives of residents and serve as an economic tool with the potential to improve the quality of life for all.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS delegate authority to the Chief Executive Officer to expand and modify, as necessary, the scope of work of the existing consultant, UC Berkeley’s IRLE, and/or hire an additional consultant within 90 days to work in tandem with UC Berkeley’s IRLE to:

1. Study and evaluate the current structure of WDACS and other departments and offices that administer workforce and economic development services and programs;
2. Provide a comprehensive analysis and recommendations for the most effective structure, including the feasibility of creating new department(s), dedicated to workforce and economic development;
MOTION BY SUPERVISORS HILDA L. SOLIS AND MARK RIDLEY-THOMAS
FEBRUARY 5, 2019
PAGE 4

a. If a separate County department is recommended, determine how a possible reorganization would be accomplished and the purview and responsibilities.

3. Include in the analysis the review of other jurisdictions to inform the recommendations;

4. Conduct a comprehensive fiscal impact analysis of all recommendations; and

5. Report back to the Board, in writing, in six months from the time of adopting an expanded scope of work or hiring an additional consultant.

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