

**A COUNTYWIDE STRATEGY FOR EQUITABLE ECONOMIC RECOVERY**

At the beginning of 2020, the Los Angeles regional economy was experiencing a long and sustained expansionary period. Unemployment was at 4.4% and the real gross county product was over \$700 billion. However, with the onset of the COVID-19 global pandemic, the stark inequities in our regional economy have been laid bare. According to the Los Angeles Homeless Services Authority, in 2020, over 66,000 individuals were experiencing homelessness on any given night in Los Angeles County. Even before COVID-19, the wealth gap had severely impacted communities of color, and the tension surrounding the racial inequities faced by our communities came to the fore in the wake of the civil unrest following the death of George Floyd. It is apparent that the County cannot go back to “business as usual” but must commit to intentional, data-driven economic recovery that prioritizes our communities that have historically experienced the least investment and attention.

MOTION

MITCHELL	_____
KUEHL	_____
HAHN	_____
BARGER	_____
SOLIS	_____

In response to the Board of Supervisors' April 28, 2020 Roadmap to Economic Recovery motion as put forth by Supervisors Barger and Solis, the Department of Workforce Development, Aging and Community Services (WDACS) held a series of industry convenings to hear from business and community leaders as to how the County could spur a return to full employment in the region, entitled the Los Angeles County Works Initiative. As a result of these recommendations, WDACS worked with the Los Angeles Economic Development Corporation (LAEDC) to perform a comprehensive economic analysis and put forth a set of recommendations identifying the most viable jobs and growth industries for those most impacted by the pandemic as the region recovers from the economic fallout of COVID-19.

On February 9, 2021, WDACS, in partnership with LAEDC, will release a report, *Pathways for Economic Resiliency: Los Angeles County 2021-2026*. The new report details COVID-19's employment impacts and provides recommendations as to how the County can catalyze equitable economic recovery. For workers, the impacts have been predominantly borne by County residents who hold at most a high school degree, often Black or Hispanic, typically young (under 35) and often female. The report finds that 88% of Black workers with a high school education in California filed for unemployment.

For businesses, the pandemic has had a disproportionate impact on small businesses, often non-white owned, and overwhelmingly in the following industries (listed in order of job losses): food service (which experienced the most job losses by a very significant margin), arts & entertainment and recreation, motion picture and sound recording, non-essential retail, accommodation, and personal care. An estimated 15,000+

businesses have already permanently closed because of the pandemic, with tens of thousands of additional businesses at risk of permanent closure.

The challenge is daunting. In the first two months of the County's "Safer at Home" order, over 716,000 County jobs were lost. While 30% of these jobs came back over the subsequent five months, 738,672 quality jobs are needed to fully employ the County's estimated 4,506,672 workers at a living wage. Moreover, fully 20% of individuals across our County lack broadband access, most often in communities of color with high unemployment rates. For those looking to access virtual employment opportunities, or with children needing to attend school virtually, this puts them at a further disadvantage.

However, the County has made strides in quickly addressing the pandemic-related economic impacts. Combined, local government, businesses, and community foundations have mobilized more than \$200 million dollars toward COVID-19 small business relief efforts to date. This is the single largest metropolitan small business relief effort in the United States, followed by Chicago, New York, Miami, and Dallas. The County, through its COVID-19 Regional Recovery Fund and Employer Assistance Grant Fund, has applied an equity lens to grant awards, prioritizing businesses in the most heavily disadvantaged communities in the County. Additionally, the County has provided free personal protective equipment (PPE) to any business in Los Angeles County with 100 employees or fewer to offset the increased cost of doing business and improve worker safety. The County has also helped to quickly assist dislocated workers, rapidly retraining them and re-employing them in frontline COVID-19 humanitarian relief jobs.

There is much work that lies ahead, but the *Pathways for Economic Resiliency* report details a roadmap for the County to play a leading role in bringing back family-

sustaining jobs and industry to Los Angeles County. The report recommends the following 8 actionable items, some of which are already at various stages of implementation:

- Provide Additional Resources to Reach and Train Dislocated Workers with Barriers to Employment for High Growth Industries, Including a Comprehensive Business Attraction Strategy
- Provide Incentives for Employers In High Growth Industries to Hire Recently Displaced Workers
- Conduct a Public Campaign to Reduce Discriminatory Job Posting Practices with the Goal of Increasing Job Opportunities for Underserved Populations
- Continue to Provide COVID-19 Safety Supplies and Awareness
- Provide Business Reopening Assistance to County Businesses Most in Need with an Equity Lens
- Optimize Use of Public Lands to Catalyze Economic Development Opportunities
- Address the Digital Divide and Expand Access to Technology Through Access to Quality Jobs and Subsidized Internet
- Support the Hardest Hit, Least-Resourced Workers by Providing Additional Subsidies for Childcare Services

Full implementation of these recommendations will require unparalleled coordination amongst County agencies, private industry, trusted community organizations, labor, education, and philanthropy. With a commitment toward ensuring that the County recovers family-sustaining jobs for its workforce, business expansion for our industries likely to provide quality careers, entrepreneurial opportunities for those looking to start their

business in the County, and safe and affordable housing for our residents, we must take actionable steps towards implementing the aforementioned recommendations.

**I, THEREFORE, MOVE** that the Board of Supervisors:

1. Direct the Department of Workforce Development, Aging and Community Services (WDACS) to convene a workgroup, consisting of the Chief Executive Office (CEO), the Los Angeles County Development Authority (LACDA), the Department of Consumer and Business Affairs (DCBA), the Department of Regional Planning (DRP), the Department of Public Health (DPH), the Department of Health Services (DHS), the Department of Public Social Services (DPSS), the Women and Girls Initiative (WGI), the Department of Arts and Culture (DAC) and other relevant stakeholders to convene and return to the Board in 45 days with a *Pathways for Economic Resiliency* Implementation Plan. The Plan should include, at a minimum; actionable and time-bound steps the County must take to implement each recommendation, a prioritization of each recommendation, proposed funding levels needed to implement the recommendations, and any progress to date on accomplishing each recommendation.
2. Further, direct the above referenced workgroup to report back in 45 days with any additional recovery strategies needed to effectuate long-term economic recovery, based on historical best practices and best practices from other jurisdictions, including any additional County structures or mechanisms needed to oversee

implementation of the recommendations and other related economic empowerment and recovery efforts.

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