

COUNTY OF LOS ANGELES

#### **BOARD OF SUPERVISORS**

July 23, 2025

Hilda L. Solis

Holly J. Mitchell

Lindsey P. Horvath

Janice Hahn

Kathryn Barger

TO: Supervisor Kathryn Barger, Chair

Supervisor Hilda L. Solis Supervisor Holly J. Mitchell Supervisor Lindsey P. Horvath

Supervisor Janice Hahn

#### **EXECUTIVE LEADERSHIP**

Kelly LoBianco

Director

Jessica Kim

Chief Deputy

n

FROM: Kelly LoBianco, Director Kelly & Birmo

SUBJECT: REPORT BACK ON MOTION BY SUPERVISORS

HILDA L. SOLIS AND JANICE HAHN - RESPONDING TO WORKFORCE AND ECONOMIC IMPACT OF FEDERAL IMMIGRATION ENFORCEMENT IN LOS ANGELES COUNTY (ITEM NO. 51-C OF

**SUPPLEMENTAL AGENDA OF JUNE 17, 2025)** 

#### Leila Lee

Assistant Director, Business and Economic Development

Kate Vacanti

Assistant Director, Workforce

**Krystin Hence** 

Assistant Director, Capital Development

#### **GET IN TOUCH**

510 S. Vermont Avenue Los Angeles, CA 90020 opportunity.lacounty.gov deo@opportunity.lacounty.gov 844-777-2059

America's Job Centers: (888) 226-6300
Office of Small Business: (800) 432-4900

On June 17, 2025, your Board of Supervisors (Board) adopted a motion introduced by Supervisors Hilda L. Solis and Janice Hahn directing the Director of the Department of Economic Opportunity (DEO) to:

- 1. Collaborate with applicable entities and report back in writing within 15 days with an assessment that will, at minimum, produce the following data regarding federal immigration enforcement in LA County:
  - a) Economic impact on small businesses due to loss of workforce including identification of the most impacted areas and most impacted types of businesses in the County of Los Angeles.
  - b) Economic impact of property damage and imposed curfews; and
  - c) Identify available supportive services for impacted small businesses and ways to make services available in a manner that is responsive to their language and immigration needs.
- 2. Identify the most impacted industrial sectors by connecting with labor unions and other applicable entities.



- 3. Continue to report back in writing monthly thereafter through December 2025 on datapoints identified in Directive 1.
- 4. Delegate authority to the Director of DEO or their designee to enter into contracts not to exceed \$150,000 with the Los Angeles County Economic Development Corporation (LAEDC) for data and analysis needed in Directives 1-3, subject to approval as to form by County Counsel; and ensuring that data are protected and do not include identifiable information that may put individuals, systems and organizations at risk.
- 5. Collaborate with the Department of Consumer and Business Affair's (DCBA) Office of Immigrant Affairs (OIA), Small Business Commission, and the Los Angeles County Workforce Development Board to convene impacted County departments and community stakeholders for a listening session to further inform Directive 1.
- 6. Collaborate with OIA and DCBA's Office of Labor Equity (OLE), in consultation with County Counsel, to develop a rapid response communication strategy for impacted businesses and workers that would facilitate access to legal aid, resources for impacted workers with rental concerns, mental health resources and, when feasible, financial resources. The strategy should, at minimum, include the following: a. Develop and provide live webinars about resources and "Know Your Rights" (KYR) information for business owners and workers across the County, ensuring that anonymity is allowed and interpretation is available for the languages spoken by the impacted business owners.
  - a) Produce and disseminate video webinars covering the information provided in live webinars, in English and the languages spoken by the impacted business owners, on a media platform that offers online privacy tools.
  - b) Develop a printable toolkit for small businesses and workers that includes resources to address the legal rights for small businesses; in collaboration with Department of Mental Health include information and resources to address employee stress and anxiety; and create a toolkit or module that meets the unique needs of street vendors.
  - c) Direct relevant community organizations funded by DEO provide outreach to street vendors regarding resources, KYR cards and toolkit.
- 7. Include the OIA's KYR information in Youth@Work curriculum going forward; and collaborate with community-based organizations and relevant entities to extend Youth@Work opportunities such as expanding work hours from the current 150 hours to 400 hours to support youth and transitional-aged youth that have become the bread winners of their households due to separation from parental figures.
- 8. Partner with the Los Angeles County Office of Education (LACOE), Los Angeles Unified School District, Los Angeles Community Colleges, and other relevant schools to disseminate the information in Directive 6 to students and their parents and care providers.
- 9. Partner with the Chief Executive Office Center for Strategic Partnerships (CEO-CSP) and philanthropy to identify funding for a DEO-led business interruption fund for small businesses impacted Countywide due to loss of workforce and/or curfews imposed due to federal immigration enforcement activity, and to identify supplemental funding for Directive 6.
- 10. Partner with CEO-CSP and philanthropy to identify funding for local community-serving organizations to provide cash-assistance for impacted workers and youth/transitional-aged youth that have become head of household.

- 11. Report back in writing in 30 days and in 60 days on Directives 4-9.
- 12. Direct the Chief Executive Office's Legislative Affairs and Intergovernmental Relations branch to advocate in support of state-level measures for impacted businesses and workers.

On July 3, 2025, DEO provided a 15-Day report updating the Board on Directives one (1) through four (4). This report provides updates on Directives one (1) through ten (10).

#### **Directives One (1) Through Four (4)**

DEO executed an agreement with LAEDC for an analysis of the economic impacts of federal immigration enforcement activities and, on July 3, 2025, provided your Board with a preliminary assessment to quantify and understand the economic impacts of recent immigration enforcement activities. LAEDC will continue to update the preliminary assessment throughout the term of the agreement through the end of December 2025 with a robust update planned for the next report in August. The latest update is attached and highlights the following:

#### **ICE Raids and Locations**

Since June 6, 2025:

- At least 20 confirmed ICE raids have transpired across Los Angeles County.
- ICE has detained nearly 2,800 individuals in the L.A. area<sup>1</sup>.

From June 1 to June 10, the Los Angeles Times reports that 69% of detainees had no criminal convictions.

Location of raids:

Locations are not random; they align with concentrations of immigrant workers and businesses that rely on them, amplifying local economic disruption.

- Raids have been concentrated in working-class and Latino neighborhoods including Pomona, Downtown LA, Downey, Pasadena, Pacoima, Bell, and Westlake.
- Raids are often targeting day laborer centers, Home Depot parking lots, and car washes.

#### **Small Businesses Impacts**

Plummeting sales & foot traffic:

Small businesses in affected neighborhoods report sharp declines in foot traffic and lost revenues, with some experiencing up to a 90% drop in business due to heightened community fear.

• Example: A Mexican restaurant owner in a predominantly Hispanic neighborhood reported weekly revenue declines of \$7,000 since the raids began.

<sup>&</sup>lt;sup>1</sup> Investigation - CalMatters

- Example: Fresh produce vendors are discarding unsold, rotting inventory due to fewer customers, creating additional economic and food waste concerns.
- In the downtown Fashion District, shops that once made \$1,200/day now struggle to bring in just \$50. Santee Alley has turned into a ghost town.<sup>2</sup>
- Retail centers like Santee Alley and produce markets saw staff and customers disappear. Sales dropped by 50% or more.<sup>3</sup>

#### Street vendors in crisis:

- Thousands of vendors—many of them Latinx women—have stopped working or gone into hiding.
   Earnings have fallen to one-third of typical income.
- Vendors in areas like Boyle Heights and El Sereno saw fewer customers and events canceled (e.g. Night Market), amplifying losses.<sup>5</sup>

#### **Workforce Impacts**

- Preliminary analysis using U.S. Census data indicates an estimated 3.1% drop in private-sector employment in California in the week following the escalation of raids, with Latino workers reporting a 5.6% employment drop in the same period.
- Reports identify that fear of raids have discouraged workers from commuting to job sites, leading to missed shifts and reduced staffing, impacting productivity and small business operations.

DEO is working with LAEDC on additional research and analysis, including development and release of a survey for businesses and nonprofits, and anticipates a more detailed impact assessment in the next Board report targeted for August 18, 2025.

The survey will be distributed through a large network of stakeholders, such as colleges, economic development agencies, community-based organizations, and small businesses. Additionally, the link to the survey will be widely shared with Board offices, DEO and its Office of Small Business (OSB), DCBA and County departments, LAEDC, and many other networks. The survey will be translated into Spanish. DEO expects the survey to become available over the next few weeks with early findings to be used to inform the August and future monthly impact reports to Your Board.

#### **Directive Five (5)**

#### Stakeholder Engagement

As referenced in the previous 15-day report back on July 3, 2025, DCBA's OIA and DEO held a meeting with the Countywide Immigration Task Force (CIFC) to evaluate how recent immigration enforcement

<sup>&</sup>lt;sup>2</sup> https://labusinessjournal.com/featured/ice-raids-hit-local-retailers

<sup>&</sup>lt;sup>3</sup> https://abc7.com/post/los-angeles-produce-market-downtown-sits-empty-ice-immigration-raids-southern-california

<sup>&</sup>lt;sup>4</sup> https://lapublicpress.org/2025/06/street-vendors-hiding-after-ice-raids

<sup>&</sup>lt;sup>5</sup> IBID

actions are impacting County services and operations. Some highlights of the session included:

- None of the CIFC Departments have experienced any immigration enforcement attempting to enter their premises but do have employees that have family members or friends that have detained.
- Each CIFC Department is actively engaged in providing resources specific to their area of support services and has compiled a list of resources and services.
- Department of Mental Health (DMH) highlighted its services related to trauma-informed care for individuals and families affected by the immigration enforcement.
- The CIFC meets regularly with DCBA's OIA and OLE to stay abreast of County efforts to support residents and businesses related to immigration enforcement activities. DEO is now joining these meetings.

On July 9, 2025, the DEO briefed the County's Small Business Commission at its quarterly meeting to present the motion and gather input and feedback on ways to increase outreach to business groups like Chamber of Commerce and Councils of Governments. Additionally, DEO sent a brief follow-up survey to the Commission to collect more information on the impact(s) on their businesses and/or groups they represent. Some initial responses include:

- The ICE activities have a tremendous impact on many businesses, particularly in the hospitality and food services sectors.
- Immigrants with either legal or lacking status, are very worried about going to work, as federal immigration enforcement authorities break every rule and detain first and ask later.
- The ICE activities are creating a huge labor shortage due to the departure of some immigrant
  workers from the area or their reluctance to come forward due to fear of potential enforcement
  actions, which is causing a very noticeable decline in the service industry.
- Many legal immigrants are avoiding moving around and going about their normal life due to these
  unfair behaviors, causing less support to the daily economic situation.

#### **Upcoming Stakeholder Convenings**

DEO will attend the next meeting of the County's Workforce Development Board Business Engagement Committee to gather insights and strategic feedback on the impact of immigration enforcement on workers and organizations that serve workers. That meeting is expected to occur in August 2025.

In partnership with LAEDC, DCBA's OIA, OLE, and DEO are planning several virtual meetings for small businesses, microbusinesses and street vendors. DEO, in coordination with LAEDC and DCBA's OIA, is also engaging CBOs with expertise serving immigrant populations and businesses with the goal to schedule these in late August and early September. The purpose of these convenings will be to obtain feedback from businesses on the impacts they are experiencing, promote the survey being developed with LAEDC, and highlight available resources, including a forthcoming Business Interruption Fund (BIF).

DEO and DCBA's OIA will also hold additional meetings with the CIFC and other relevant County departments in August with findings shared in upcoming monthly reports.

#### **Directive Six (6)**

#### Rapid Response Strategies

DEO, LAEDC, and OIA are supporting a rapid-response communication strategy, including webinars and a toolkit for businesses and workers, while engaging with DCBA, the California Governor's Office of Business and Economic Development (GO-BIZ), and key legal partners to collaborate on Toolkit development and a public information campaign.

#### Webinars

On July 16, 2025, Public Counsel, a non-profit legal aid organization, held its first Train the Trainer (TOT) live webinar on KYR for non-profits and businesses (attachment). DEO staff attended, which included the OSB and the Economic Development and Workforce Divisions. Additionally, the TOT training was also sent to all 18 of the County's America's Job Centers of California (AJCC) to attend. The attendance exceeded 300 participants.

On July 23, 2025, DEO in partnership with Public Counsel is convening a live KYR webinar for non-profit and small businesses (attachment). Topics include what to do if ICE shows up at a business, information privacy laws, recommendations for employers about I-9 forms, and more. The session will be recorded for later use in the Immigration Toolkit and shared across multiple internal and external networks. DEO is distributing the flyer to DEO and OSB subscriber lists, Board Offices, AJCC's, partner community-based organizations, County departments, Small Business Development Centers, LAEDC, and Public Counsel networks.

#### KYR Outreach

In partnership with DCBA, DEO and its OSB have been distributing KYR red cards to small businesses, individuals, street vendors and groups in all languages including digital versions. The OSB Sidewalk Vending Unit has distributed KYR red cards to roughly 45 sidewalk vendors and will continue to hand them out during its ongoing canvassing efforts. OSB continues to share resources via its call center to small businesses and street vendors seeking assistance. DEO is also printing and distributing cards via our 18 America's Job Centers of California. DEO has ordered additional KYR red cards in all 14 County designated languages and will be distributed over the next two weeks.

#### **Toolkit and Website Development**

DEO is developing a dedicated immigration resource page at opportunity.lacounty.gov with information and resources for impacted workers and businesses. DEO and LAEDC, in collaboration with DCBA's OIA and OLE, and County Departments are creating a Toolkit for small businesses and workers that includes legal, mental health, health, and community-based support. The Toolkit will be posted on DEO's immigration resource webpage, distributed to all community and County partners, Board offices, small businesses and will be downloadable and printable. The anticipated timeline for completion is August 2025 and will highlight a BIF for impacted small businesses along with a link to a donation page for the BIF.

#### **Directive Seven (7)**

DEO is working with the developers of the Youth@Work Transitional Age Youth World of Work (TAY WOW) 20-hour career readiness curriculum utilized for the paid "Personal Enrichment Training" component of the program to incorporate KYR into the curriculum. The developers will provide a module

on KYR utilizing resources from DCBA's OIA, including, but not limited to, recorded webinars and printed resources. DEO will also work with OIA in coordinating engagement of the Youth@Work program with live webinar sessions. The KYR resources have also been incorporated into the Youth@Work Technical Assistance Guide and training for providers.

Utilizing existing funding, DEO is also developing expanded Youth@Work programming hours for youth whose households have been impacted by the immigrant enforcement actions. DEO will work with the County AJCCs and community-based organizations serving immigrant families to connect eligible family members with workforce programs.

A flyer for both workers and businesses for host sites will be available by the next report to Your Board.

#### **Directive Eight (8)**

DEO will partner with Los Angeles County Office of Education (LACOE), Los Angeles Unified School District, Los Angeles Community Colleges, the Opportunity Youth Collaborative, and other school districts throughout Los Angeles County to share resources available to students, parents, legal guardians, and other care providers. Materials will be shared at the upcoming Opportunity Youth Stewardship Board meeting on July 25, 2025. DEO will also work with this collaborative on the dedicated Youth@Work programming in August.

#### **Directive Nine (9)**

DEO is partnering with CEO-CSP and philanthropic organizations to identify funding for a BIF for small businesses impacted by federal immigration enforcement activity Countywide resulting in the loss of workforce and revenue. DEO has identified an initial \$100,000 in departmental funding to support the fund, has confirmed a Third-Party Administrator and is finalizing a program design with input from Board Offices, and has submitted a request for \$5.5 million in Care First Community Investment (CFCI) for the BIF. DEO is also identifying potential CBO partners for outreach and enrollment to ensure the program can be delivered through a model that reaches impacted communities throughout the County.

DEO will report on the full program timeline and fundraising effort in the next report to Your Board.

#### Directive Ten (10)

DEO, in collaboration with DCBA and CEO-CSP, is assessing options and funding sources for a cash aid fund for workers. Planning is underway for a Funders Briefing, led by CEO-CSP.

#### **Conclusion**

Moving forward, DEO will continue to submit to monthly reports your Board on all Directives through December 2025.

Dates for future reports:

- August 18, 2025
- September 18, 2025
- October 17, 2025

- November 17, 2025
- December 17, 2025 (Final)

If you have any questions, please contact me, or your staff may contact Gary Smith at gsmith@opportunity.lacounty.gov.

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#### Attachment

c: Executive Office, Board of Supervisors

Chief Executive Office

**County Counsel** 

Department of Consumer and Business Affairs

Department of Mental Health

Department of Health Services

Department of Public Health

Department of Children and Family Services

Department of Public Social Services

Library

Office of Immigrant Affairs

Office of Labor Equity

Los Angeles Economic Development Corporation



#### Economic Impacts of Federal Immigration Enforcement in Los Angeles County 30-Day Update of Ongoing Analysis

July 17, 2025

Dear Los Angeles County Department of Economic Opportunity (DEO),

The LAEDC is in the final stages of compiling a comprehensive Resource Guide and developing a survey instrument to be distributed to gather qualitative data on the impacts of federal imigration enforcement on buineses.

In addition to the Resource Guide and the business survey, continuing research has been conducted. What follows is a brief update on these efforts and aditional preliminary findings related to our analysis of the economic impacts of increased immigration enforcement in Los Angeles County.

#### **Context and Scope:**

Since the escalation of ICE raids beginning June 6, 2025, Los Angeles County has seen significant secondary effects impacting small businesses, workers, and neighborhoods. These cascading effects have implications for our local economy.

Our current research continues and compiles data on:

- Locations and frequency of ICE raids
- Associated protests and civil unrest
- Property damage and public costs
- Impacts on business operations and workforce participation.

#### **Key Findings to Date:**

#### ICE Raids and Locations:

We have identified at least 20 confirmed ICE raids across Los Angeles County since June 6, 2025.

- Raids have been concentrated in working-class and Latino neighborhoods including Pomona, Downtown LA, Downey, Pasadena, Pacoima, Bell, and Westlake.
- Raids are often targeting day laborer centers, Home Depot lots, and car washes.
- These locations are not random; they align with concentrations of immigrant workers and businesses that rely on them, amplifying local economic disruption.

#### **Protests and Civil Unrest:**

At least 10 significant protests have occurred since June 6, with large gatherings near federal buildings (e.g., Civic Center, Historic Core, Dodger Stadium).

The protests escalated following National Guard deployment on June 7, leading to a week-long curfew in Downtown LA.



#### **Property Damage and Public Costs:**

The Los Angeles City Controller has estimated \$1.4 million in immediate public property damage costs, including \$593,000 for damages to city buildings, \$523,000 for street cleanup, and \$85,700 for graffiti removal.

Some broader estimates including fire resources and overtime are placing the total taxpayer cost of ICE-related protests and enforcement impacts at over \$30 million.

#### Impacts on Small Businesses:

Small businesses in affected neighborhoods report sharp declines in foot traffic and lost revenues, with some experiencing up to a 90% drop in business due to heightened community fear.

- Example: A Mexican restaurant owner in a predominantly Hispanic neighborhood reported weekly revenue declines of \$7,000 since the raids began.
- Example: Fresh produce vendors are discarding unsold, rotting inventory due to fewer customers, creating additional economic and food waste concerns.

#### Workforce Impacts:

Preliminary analysis using U.S. Census data indicates an estimated 3.1% drop in private-sector employment in California in the week following the escalation of raids, with Latino workers reporting a 5.6% employment drop in the same period.

Reports identify that fear of raids has discouraged workers from commuting to job sites, leading to missed shifts and reduced staffing, impacting productivity and small business operations.

#### Why This Matters for Our Analysis:

- These elements help quantify indirect economic costs (lost revenue, employment declines, business closures).
- The data highlights industries and neighborhoods most affected (restaurants, retail, small grocers, and service sectors reliant on immigrant workers).
- Understanding the localized economic disruption is key to assessing the impacts of enforcement-heavy policies and for designing potential support mechanisms for small businesses and displaced workers.
- The findings underscore the connection between immigration enforcement actions and economic stability in communities, helping to inform recommendations for minimizing economic harm while addressing federal compliance.

#### **Next Steps:**

IAE will continue to update this economic analysis on a monthly basis as we obtain more information over time from impacted businesses, workers and affected stakeholders.

#### About Los Angeles County Economic Development Corporation (LAEDC) www.laedc.org

The Los Angeles County Economic Development Corporation (LAEDC) is a public-benefit nonprofit organization dedicated to advancing a strong, growing, and sustainable economy for the Los Angeles region. Now in its 44th year, LAEDC works collaboratively with partners across the county to improve the quality of life for residents by fostering job creation, supporting key industries, and strengthening the region's economic resilience. As a trusted leader, LAEDC serves the people of Los Angeles County by promoting a healthy economy and high standard of living.



#### **UPCOMING WEBINAR:**

# TRAIN THE TRAINER

## **Empowering Trainers to Support Small Businesses**

Learn how to support business owners in staying compliant with immigration laws

WEDNESDAY, JULY 16, 2025 1:00 - 2:30 PM

**REGISTER TODAY** 







### Know Your Rights: Small Businesses & Nonprofits!

Guide for Interacting with Immigration Enforcement

**July 23, 2025** 11:00 am - 12:00 pm

This webinar offers practical guidance for nonprofit organizations and small businesses to understand their rights and responsibilities in the event that immigration agents visit their office, business, or facility.



- Rights and responsibilities when interacting with immigration agents
- Developing written policies to address immigration agent interactions
- Tips for navigating immigration enforcement raids



Contact Us 213-385-2977, x200



**More Information** 

https://publiccounsel.org/services/small-businesses and https://publiccounsel.org/services/nonprofits/





Register @ bit.ly/KYRJuly23



department of economic opportunity COUNTY OF LOS ANGELES

