



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

SACHI A. HAMAI  
Chief Executive Officer

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Second District

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Third District

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Fourth District

KATHRYN BARGER  
Fifth District

February 27, 2017

To: Supervisor Mark Ridley-Thomas, Chairman  
Supervisor Hilda L. Solis  
Supervisor Sheila Kuehl  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

From: Sachi A. Hamai  
Chief Executive Officer

## **ECONOMIC DEVELOPMENT SCORECARD AND QUARTERLY REPORT (ITEM NO. 14, AGENDA OF JANUARY 5, 2016)**

### **Background**

On January 5, 2016, the Board of Supervisors (Board) adopted a motion (Motion) by Supervisors Hilda L. Solis and Mark Ridley-Thomas that instructed the Chief Executive Officer (CEO), in collaboration with the Los Angeles Economic Development Corporation, the Executive Director of the Community Development Commission (CDC) and other relevant stakeholders, to report back with an economic development plan and a strategy for implementation. The CEO was further instructed to establish an Economic Development Policy Committee (Committee), and to report on how current and future economic development initiatives could be measured on a quarterly basis going forward. The CEO's report back on these items was submitted on May 20, 2016, with the expectation that future quarterly reports would be developed in collaboration with the Committee. The Economic Development Scorecard (Scorecard) that is attached to this memorandum represents the CEO's first installment of a quarterly reporting mechanism that will measure and track economic development programs managed by the County.

### **Economic Development Scorecard**

The May 20, 2016 report from the CEO emphasized the importance of data collection as a means for evaluating and implementing the County's Economic Development Program. This objective has been discussed at several meetings of the Committee, and the concept of a quarterly scorecard was developed as a result of these discussions.

*"To Enrich Lives Through Effective And Caring Service"*

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The goal of the Scorecard is to organize the County's economic development programs into strategic categories and to develop a standardized means for reporting on the progress of each program. Accurate data collection by the departments and commissions that administer these programs is critical to the success and use of the Scorecard.

The three strategic initiatives identified in the current Scorecard are workforce development, business assistance, and financial assistance. A fourth strategic initiative that will be included in future Scorecards will relate to capital programs and the use of County assets for the creation of economic development opportunities. Each of these four priority areas will then be informed by specific economic and demographic data presented in the Scorecard. In the current Scorecard, this economic and demographic information relates principally to the County as a whole, but future reports will endeavor to produce data that is more specific to the unincorporated areas. Given the County's role as the first level of government in the unincorporated areas, the opportunities for economic development will often be the greatest in these parts of the County.

The data presented in the current Scorecard highlights several important features of the County's Economic Development Program. In the area of workforce development, the CEO identified 27 different programs that provide services such as job training, employment placements, internships, and supportive services. More than 200,000 local residents participate in these workforce development programs on an annual basis, and the majority finish their programs with successful outcomes that include employment, job training or college enrollment. In addition to workforce development, historical data presented in the Scorecard demonstrates that local worker hire programs have generally been successful when applied to County capital projects. County programs designed to assist small businesses remain in their early stages, but are shown to be actively progressing towards a successful implementation. Finally, the Scorecard describes three new loan programs that were designed to build upon the success of previous business loan initiatives managed by the Community Development Commission.

### **Next Steps**

The CEO's objective with the Scorecard is to make continuous improvements to both the quality and content of the information being provided. As referenced earlier, future Scorecards will include new information on economic development capital projects and additional data specific to County unincorporated areas. The CEO will also seek to organize certain data elements by Supervisorial District, and to detail the budgetary cost and funding source for each program described in the Scorecard. For those economic development efforts that share a common objective such as job placement, the CEO will work with County departments to standardize the reporting methodology so as to be able to compare the relative success of different programs. When the Scorecard

ultimately reaches its final form, the intent is that it can be used by the Board as a tool to make policy and budgetary decisions regarding which economic development programs are most effective in delivering economic opportunities to local residents and businesses.

If you have any questions regarding this report, please contact Doug Baron at (213) 974-8355, or [dbaron@ceo.lacounty.gov](mailto:dbaron@ceo.lacounty.gov).

SAH:JJ:DSB  
CMT:acn

#### Attachment

- c: Executive Office, Board of Supervisors
- County Counsel
- Community Development Commission
- Consumer and Business Affairs
- Economic Development Policy Committee
- Workforce Development, Aging and Community Services

LOS ANGELES COUNTY

# ECONOMIC DEVELOPMENT SCORECARD

FEBRUARY 2017



CHIEF EXECUTIVE OFFICE  
COUNTY OF LOS ANGELES

# TABLE OF CONTENTS

- 1 Introduction
- 2 Workforce Development
- 11 Business Assistance
- 15 Financial Assistance
- 19 Regional Economic Data

# INTRODUCTION

The Economic Development Scorecard is designed to measure the progress of the County's economic development programs across a variety of disciplines, including workforce development, business assistance, loan programs, and financial assistance. Additionally, the Scorecard shall provide a snapshot of the local economy, and demonstrate how County programs can be informed by the specific economic and demographic characteristics of the region. Following the dissolution of redevelopment agencies statewide in 2012, cities and counties have been required to contend with limited resources for economic development. This Scorecard intends to track the success of the County's new economic development initiative and highlight its investment in workforce development and job training, commitment to small and local business, and focus on creating more livable communities.

Beginning in 2015, the County Board of Supervisors (Board) has made one of its priorities the promotion of economic development to stimulate job growth in the region and help lift County residents out of poverty. In spite of recent economic gains, the County's unemployment rate is still higher than the national average. In addition, the County's annual percentage change in gross employment has trailed that of the State of California in each of the prior six years. The percentage of households living below the poverty line remains high at 16.9% while the number of individuals living below the poverty line is even greater at 18.7%. The justification for renewed emphasis on economic development can be found in these numbers, and has compelled the County to take stock of its current efforts in this area. With successful implementation of an economic development program, the County can look to incentivize the growth of small business, build a more dynamic workforce, and provide targeted assistance to those individuals facing the greatest barriers to economic success.

The County has numerous tools at its disposal to influence the economic well-being of its residents. The goal of this Scorecard is to evaluate the successes and failures of these tools, and to provide information that will enable the County to refine and improve its economic development programs. On workforce development alone, the County expends in excess of \$100 million annually. Additionally, the amount being allocated to business loan and grant programs is scheduled to grow to \$15 million annually within the next five years. Recognizing that the County has only finite resources to devote to economic development, a successful scorecard will provide the data necessary to guide the future allocation of funding resources. A focus on outcomes, and not just processes, shall be the principal factor in determining the County's approach to economic development.

# WORKFORCE DEVELOPMENT

The County of Los Angeles administers workforce development and job training programs across many Departments, the largest of which is run through the Department of Workforce Development, Aging and Community Service (WDACS). The County trains adults, youth and young adults, as well as seniors and the veteran population. Additionally, the County administers the Federal Workforce Innovation and Opportunities Act (WIOA) through WDACS. The WIOA program is designed to strengthen and improve the nation's workforce system and help get Americans, including those with significant barriers to employment, into high-quality jobs and careers, while also helping employers hire and retain skilled workers. In addition to the workforce development programs managed by WDACS, the Departments of Children and Family Services, Public Social Services (DPSS), Health Services, Human Resources, Military and Veterans Affairs, and Probation each have their own job training and job placement services.

In a May 20, 2016 report to the Board, the CEO presented its Implementation Plan for an Economic Development Program specific to the County, its departments, agencies, and commissions. The Implementation Plan included an inventory of County programs that had economic development as one of their defining traits or objectives. In December 2016, the CEO sought to expand upon the workforce development component of this inventory, and sent a questionnaire specific to this topic to 15 County departments.

The CEO received responses from each of the 15 departments it solicited, gathering significant new information regarding their involvement with workforce development. The responses to the questionnaire revealed that while all departments collect data on program participants in some form, many of the programs are grant-funded and have reporting metrics that vary widely across the County. Of the 15 departments surveyed, nine were found to have programs that focus specifically on the job training and job placement goals of workforce development. WDACS and DPSS administer the largest workforce development programs in the County, with WDACS managing

the WIOA Adult and Dislocated Worker Program, the Rapid Response Program and various targeted programs for youths and seniors. Separately, DPSS oversees several distinct programs through its General Relief Opportunities for Work (GROW) and Greater Avenues for Independence (GAIN) programs.

To date, **twenty-eight** County-administered **workforce development and job training programs** have been identified.

### Inventory of Programs

Although statistical information is not available for all programs, the following two pages display a listing of several of the most important County workforce development programs and the services they offer. Using information received in response to the CEO's most recent workforce development questionnaire, the inventory provides an initial look at the target populations and service goals of the County's programs. The number of participants in each workforce development program has been identified, and the number of successful completions has been compiled. Because the definition of programmatic success differs across County departments, the inventory does not at this time present a standardized format for data analysis. Future Scorecards will seek to harmonize the data collection efforts across departments and programs, and provide a consistent reporting tool that focuses on job placement, job retention and salary for all program participants. A total of 28 workforce development programs are detailed on the following table.



## LOS ANGELES COUNTY WORKFORCE DEVELOPMENT AND JOB TRAINING PROGRAMS

ADMINISTERING DEPARTMENT	PROGRAM NAME	SERVICE PROVIDED	TARGET POPULATION	SUCCESS INDICATORS	PARTICIPANTS (2016)	SUCCESSFUL COMPLETIONS (2016)
Arts Commission	Los Angeles County Arts Internship Program	Internships	Youth	Internship Completion	132	130
Community Development Commission (CDC)	Family Self Sufficiency Program (FSS)	Supportive Services	Government Assistance Recipients	Employment	103	Not Yet Available
Department of Children and Family Services (DCFS)	Bridge to Work Program	Employment Placements	Foster Youth	Employment/ Return to School	101	70
Department of Children and Family Services (DCFS)	Youth Worker (YW)	Internships	Youth/Foster Youth	Internship Completion	20	Not Yet Available
Department of Health Services (DHS)	College of Nursing and Allied Health Pre-Licensure Registered Nurse	Training	Future Nurses	Employment	89	39
Department of Health Services (DHS)	Office of Nursing Affairs Tutoring & Mentoring Program	Training	Future Nurses	Employment	606	61
Department of Human Resources (DHR)	Career Development Intern (CDI)	Internships	Youth/Foster Youth	Employment	14	Not Yet Available
Department of Human Resources (DHR)	Veterans Internship Program (VIP)	Internships	Veterans	Employment	157	Not Yet Available
Department of Military and Veterans Affairs (MVA)	LA Trade Tech Partnership	Supportive Services	Veterans	Completed Training	17	17
Department of Military and Veterans Affairs (MVA)	US Veterans Initiative (US Vets) Job Referral for Career Development Initiative	Supportive Services	Veterans	Employment	670	496
Department of Military and Veterans Affairs (MVA)	Veterans Work Study Program	Training	Veterans	Employment	3	3
Department of Military and Veterans Affairs (MVA)	Vocational Rehab Training	Training	Veterans	Completed Training	97	97
Department of Public Social Services (DPSS)	General Relief Opportunities for Work (GROW)	Employment Preparations Services	Adults 18 or older	Employment	26,359 (monthly average)	1,211 (monthly average)
Department of Public Social Services (DPSS)	Refugee Employment Program (REP)	Job Readiness Training/ Employment Placements	Refugees 18 or older	Employment	2,231	831
Department of Public Social Services (DPSS)	Greater Avenues for Independence (GAIN) Job Club	Job Readiness Training	Adults 18 or older	Training Completion or Employment	5,119	4,716

## LOS ANGELES COUNTY WORKFORCE DEVELOPMENT AND JOB TRAINING PROGRAMS

ADMINISTERING DEPARTMENT	PROGRAM NAME	SERVICE PROVIDED	TARGET POPULATION	SUCCESS INDICATORS	PARTICIPANTS (2016)	SUCCESSFUL COMPLETIONS (2016)
Department of Public Social Services (DPSS)	Colleges and Vocational Training	Education/ Training	Adults 18 or older	Completed program and received certificate or degree	4,912	804
Department of Public Social Services (DPSS)	Greater Avenues for Independence (GAIN) Short-Term Vocational Training (Project with Los Angeles County Office of Education)	Training	Adults 18 or older	Program Completion/ Unsubsidized Employment	431	232
Department of Public Social Services (DPSS)	Greater Avenues for Independence (GAIN) Transitional Subsidized Employment (TSE)	Job Readiness Training	Adults 18 or older	Program Completion/ Unsubsidized Employment	2,950	831
Department of Public Social Services (DPSS)	Greater Avenues for Independence (GAIN) Transitional Subsidized Employment (TSE) for DCFS Independent Living Program Youth	Job Readiness Training	Foster Youth	Employment	30	Not Yet Available
Probation Department	Juvenile Justice Crime Prevention Act (JJCPA) - Educational Pathways	Supportive Services	Involvement with Criminal Justice System/ Youth	Supportive Service Completion	215	40
Probation Department	Juvenile Justice Crime Prevention Act (JJCPA) - Employment Services	Employment Placements	Involvement with Criminal Justice System/ Youth	Employment	516	18
Probation Department	Probation AB 109 – Employment Services Program	Supportive Services	Involvement with Criminal Justice System	Supportive Service Completion	380	219
Probation Department	Probation Adult Felony Re-entry Employment Services - Career Pathways	Supportive Services	Involvement with Criminal Justice System	Supportive Service Completion	15	15
Probation Department	SB678 Probation Re-entry Adult Population - Employment Services	Employment Placements	Involvement with Criminal Justice System	Employment	Not Yet Available	Not Yet Available
Workforce Development, Aging and Community Services (WDACS)	Workforce Innovation and Opportunity Act (WIOA)– Basic Career Services	Employment Placements	Adults 18 or older	Employment Services	138,397	65,397
Workforce Development, Aging and Community Services (WDACS)	WIOA Adult and Dislocated Worker Program– Individualized Career Services	Training/ Employment Placements	Adults 18 or older	Training/Employment Services	5,437	4,007
Workforce Development, Aging and Community Services (WDACS)	Youth @ Work	Training/ Employment Placements/ Supportive Services	Youth	Employment or School Enrollment or Job Training Program Completion	11,785	9,960
Workforce Development, Aging and Community Services (WDACS)	Title V - Senior Community Services Employment Program (SCSEP)	Training/ Employment Placements/ Supportive Services	Low Income Individuals age 55 and over	Employment or Job Training Program Completion	171	171

## LA COUNTY'S SEVEN TARGETED CLUSTERS

HEALTH CARE SERVICES

TRADE & LOGISTICS

LEISURE AND HOSPITALITY

MANUFACTURING

BIOSCIENCE

CONSTRUCTION

ENTERTAINMENT AND INFOTECH

### Performance of Workforce Development Programs Across Targeted Industries in Los Angeles County

Economic development priorities are organized around several workforce development objectives. Among these are encouraging job training for industries that are most competitive and that will generate well-paying jobs that propel economic growth and wealth creation for all residents. The Board has promoted the use of industry and sector partnerships to address the workforce needs of multiple employers within an industry. This scorecard is designed to highlight the targeted high-growth industry clusters across the County, and to evaluate whether workforce development programs are aligning skilled and unskilled workers with these targeted sectors.

Currently, WDACS is the only department tracking placement across the targeted industry clusters of: health care services; trade and logistics; leisure and hospitality; manufacturing; bioscience; construction; and entertainment and infotech. Shown on the following two pages is data collected from WDACS for Fiscal Year 2015-16. Also provided as a reference is a historical look at employment averages for certain of these targeted industries over the prior 12 years.

**Bioscience** is a targeted industry currently tracked in the subset of the Manufacturing targeted industry cluster. **In fiscal year 2015-16, there were 51 job placements** in the Bioscience industry through WDACS workforce development programs. **In fiscal year 2016-17, there have been 31 job placements** in the Bioscience industry.

## LOCAL INDUSTRY TRENDS COMPARED TO STATE LABOR MARKET INFORMATION (LMI), FY 2015-16

### Targeted Industry Cluster

Targeted Industry Cluster	Total Employments (Placements)	% of All Employments	State Employment LMI	Total Employers We Worked With	Average Hourly Wage	State Average Hourly Wage LMI (Entry Level)
Construction	128	3.10%	4.5%	107	\$16.77	\$15.90
Entertainment and InfoTech	58	1.40%	2.90%	51	\$18.66	\$17.33
Health Services	517	12.40%	8.60%	435	\$12.97	\$13.38
Leisure and Hospitality	264	6.30%	9.50%	220	\$12.42	\$10.36
Manufacturing	321	7.70%	7.60%	236	\$14.91	\$11.02
Trade and Logistics	330	7.90%	7.30%	276	\$15.15	\$11.52
<b>Total</b>	<b>1,618</b>	<b>38.9%</b>	<b>40.40%</b>	<b>1,312</b>	<b>\$15.15</b>	<b>\$13.13</b>

### Non-Targeted Industry Cluster

Non-Targeted Industry Cluster	Total Employments (Placements)	% of All Employments	State Employment LMI	Total Employers	Average Hourly Wage	State Average Hourly Wage LMI (Entry Level)
Education	93	2.20%	2.10%	79	\$16.93	\$21.50
Finance	91	2.20%	3.10%	78	\$18.79	\$27.03
Natural Resource and Mining	11	0.30%	3.00%	10	\$20.11	\$10.56
Other Services (Except Public Admin.)	120	2.90%	3.30%	103	\$14.71	\$13.95
Professional and Business Services	1,043	25.00%	15.00%	680	\$13.91	\$27.03
Public Administration & Government	74	1.80%	15.20%	65	\$16.17	\$10.52
Real Estate and Rental/Leasing	33	0.80%	1.70%	33	\$20.01	\$27.03
Retail	646	15.50%	9.80%	372	\$11.02	\$12.18
Unclassified Establishments	46	1.10%	<i>Data not available</i>	41	\$12.54	<i>Data not available</i>
Utilities	11	0.30%	0.30%	11	\$19.26	\$12.43
Unknown	378	9.10%	6.10%	191	\$13.17	<i>Data not available</i>
<b>Total</b>	<b>2,546</b>	<b>61.20%</b>	<b>59.60%</b>	<b>1,663</b>	<b>\$16.06</b>	<b>\$18.02</b>

Source: Department of Workforce Development, Aging and Community Service (WDACS)

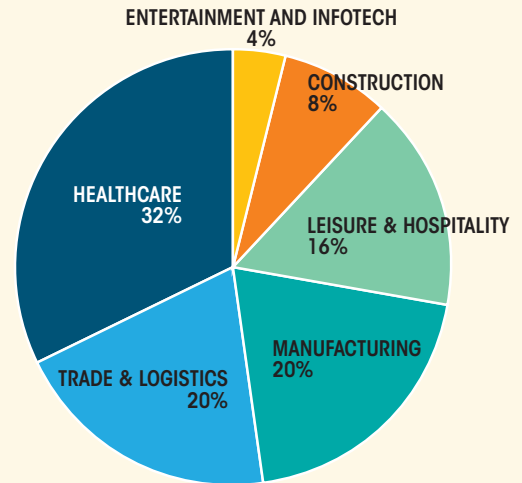
# TARGETED SECTOR EMPLOYMENT

## JOB PLACEMENTS BY SECTOR, FY15-16

NON-TARGETED **2,546**      TARGETED **1,618**

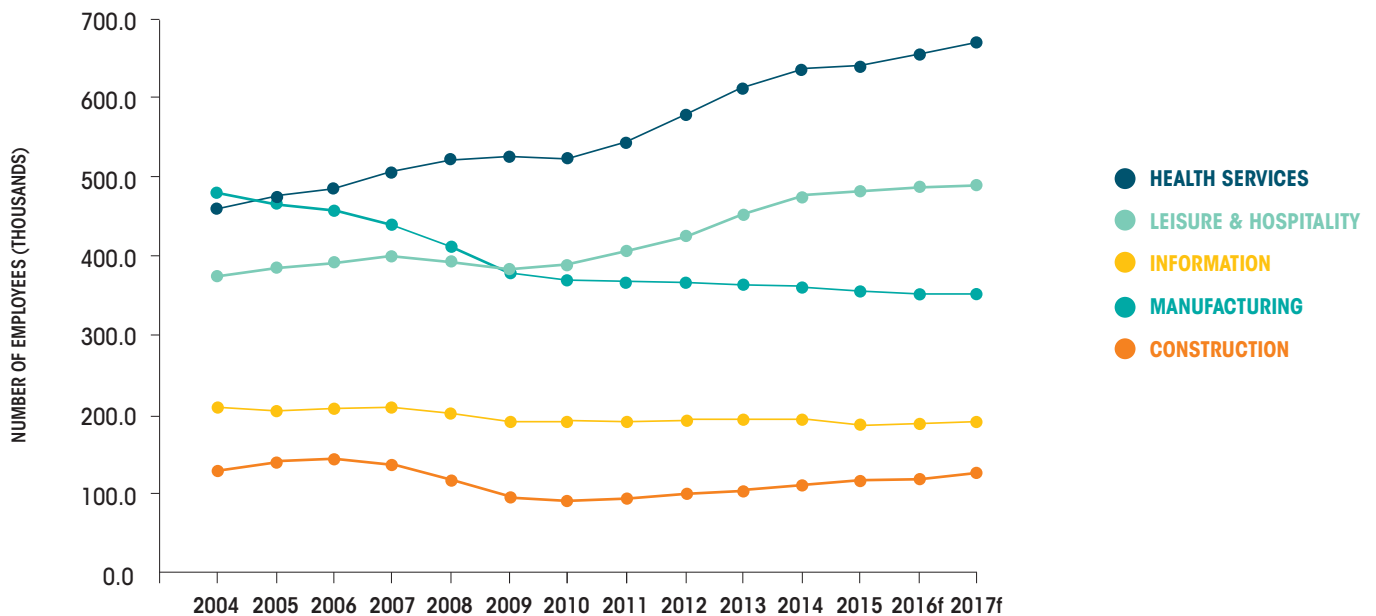
Source: Department of Workforce Development, Aging and Community Service (WDACS)

## JOB PLACEMENTS WITHIN TARGETED SECTOR, FY15-16



Source: Department of Workforce Development, Aging and Community Service (WDACS)

## ANNUAL AVERAGE EMPLOYMENT IN TARGETED SECTOR (LOS ANGELES COUNTY)



Source: Los Angeles County Economic Development Corporation (LAEDC) Kyser Center for Economic Research

## Performance Of Workforce Development Programs By Target Population

On September 6, 2016, the Board adopted a Countywide Local and Targeted Worker Hire Policy. In adopting this policy, the Board set forth the definition of a targeted worker as a resident of the County who has indices of career-limiting circumstances, specifically one or more of the following:

1. has a documented annual income at or below 100 percent of the Federal Poverty Level;
2. no high school diploma or GED;
3. a history of involvement with the criminal justice system;
4. protracted unemployment;
5. is a current recipient of government cash or food assistance benefits;
6. is homeless or has been homeless within the last year;
7. is a custodial single parent;
8. is a former foster youth; or
9. is a veteran, or is the eligible spouse of a veteran of the United States armed forces.

The CEO asked those departments working to train and place targeted workers to describe their program, the types of services provided, and the indicators used to measure programmatic success. As the County works toward streamlining the reporting requirements across County workforce development programs, the performance of programs across target populations is of particular importance. This will indicate the efficacy of programs for the most difficult to employ individuals. The County's objective of bringing services to targeted populations is aided by the fact that the WIOA program, and its affiliated America's Job Centers of California (AJCC), are already focusing directly on these individuals. WDACS indicates that a majority of those who come into contact with the AJCC system in Los Angeles County are targeted workers.

## Local and Targeted Worker Hire

Ensuring that local workers have employment opportunities on projects situated within their communities has long been a core element of economic development programs at the municipal level. To this

end, the Board adopted a Local and Targeted Worker Hire Policy that took effect for contracts approved by the Board after October 31, 2016. This policy imposes a 30% Local Hire goal and a 10% Targeted Worker hire goal on most major construction projects approved by the Board. Prior to the adoption of the current Local and Targeted Worker Hire Policy, the County put forth local hire goals on a project-by-project basis. The Department of Public Works was responsible for managing these local hire practices, and for tracking compliance with specific project objectives. Historical data for these projects demonstrates that local worker hire was successful on 5 of the 6 projects where the County imposed a mandatory hiring goal, and on 10 of the 16 projects where an aspirational goal was imposed. Going forward, compliance with both the local and targeted worker categories will be tracked countywide for inclusion into this Scorecard.

## WHAT IS A "LOCAL WORKER?"

**A Local Resident is defined as an individual living within the Tier 1 or Tier 2 ZIP Codes of the County.**

Before employing worker(s) from Tier 2 ZIP Codes, the available pool of local residents whose primary place of residence is within Tier 1 ZIP Codes must first be exhausted.

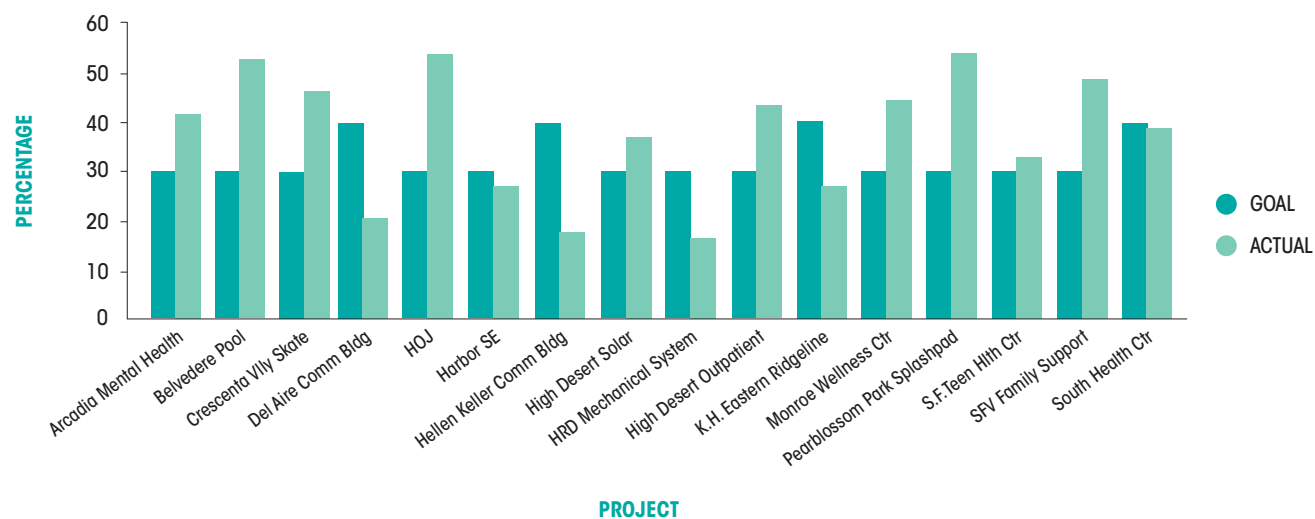
**TIER 1** means ZIP Codes within five (5) miles of the proposed project site, and where the average percentage of households living below 200 percent of the Federal Poverty Level (FPL) is greater than the County average for such households.

**TIER 2** means any ZIP Codes within the County where the average percentage of households living below 200 percent of the FPL is greater than the County average for such households.

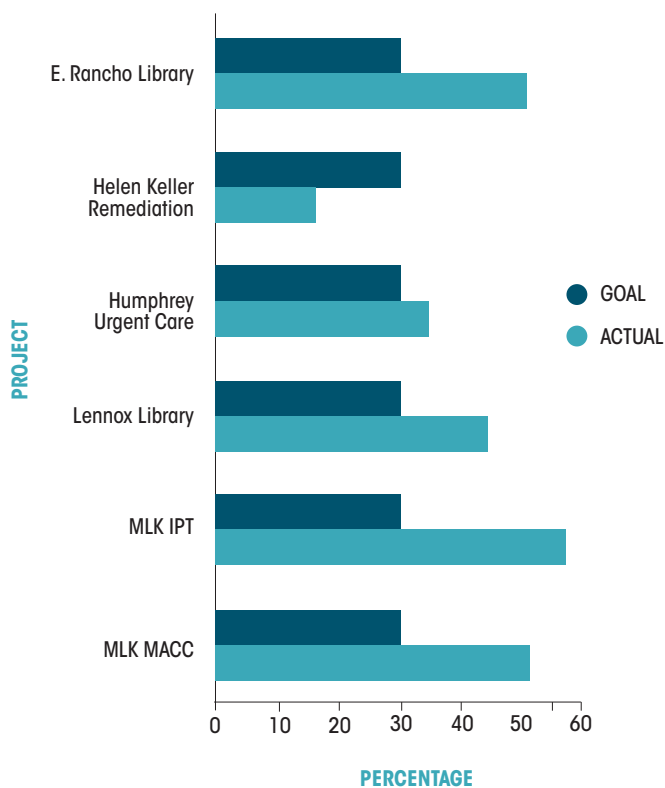
This definition shall also apply to affordable housing projects and for privately financed developments located on County property.

# LOCAL WORKER HIRING PROGRAM SUMMARY

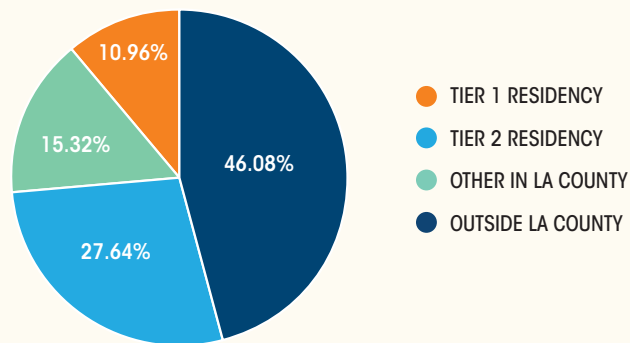
**ASPIRATIONAL HIRING GOAL**  
Completed LWHP Projects (16)



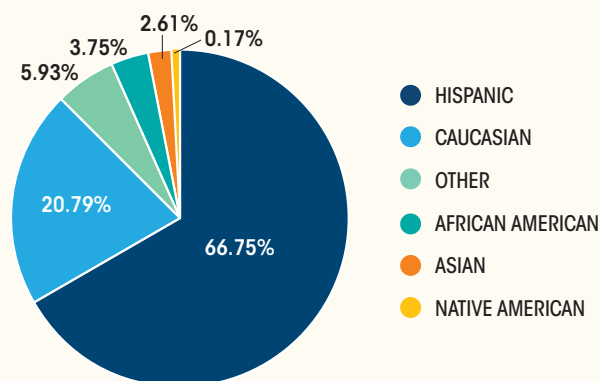
**MANDATORY HIRING GOAL**  
Completed LWHP Projects (6)



**WORKER RESIDENCY** Completed LWHP Projects (22)



**WORKER ETHNICITY** Completed LWHP Projects (22)



# BUSINESS ASSISTANCE



On July 21, 2015 the Board of Supervisors established a Small Business Initiative (SBI) charged with supporting small business throughout the county through streamlined service delivery. The County is committed to providing an environment where businesses both small and large can grow and thrive, from the health care services industry to entertainment and infotech and beyond. One means for accomplishing this objective specifically in relation to small businesses is by leveraging the County's sizeable procurement process. In July 2016, the Board implemented a four-year plan to increase contracting and procurement opportunities for Local Small Business Enterprises (LSBEs), Disabled Veteran Business Enterprises (DVBES), and Social Enterprises (SEs). Local business support is a primary component in economic development, and thus the Scorecard highlights the County's progress in this area.

### Small Business Development

On January 12, 2016, the Board adopted a motion directing the Department of Consumer and Business Affairs (DCBA) to prepare a four-year action plan for attaining procurement utilization

goals (the "Utilization Plan") of twenty-five percent (25%) for Local Small Business Enterprises (LSBEs) and three percent (3%) for Disabled Veteran Business Enterprises (DVBES) by 2020. DCBA was also directed to develop a streamlined certification process for LSBEs and DVBES and to create a new certification process for Social Enterprises (SE). Additional directives included evaluating bid price preferences, eliminating the cap on price preferences, establishing departmental delegated authority, and designating a two-year pilot program.

In order to achieve the goals set forth in the Utilization Plan, the County is working towards expanding the pool of certified businesses and implementing comprehensive marketing, and outreach measures to help eligible businesses win contacts with the County. This Scorecard will track the County's progress towards the utilization goals, as well as the number of businesses becoming certified and winning contracts with the County. Overall, the Utilization Plan has identified \$3.9 billion in annual County procurement activity for competitive bidding by LSBEs, DVBES and SEs.

### SMALL BUSINESS ACTIVITY

FY 2016/2017	Q1	Q2	TOTAL
Number of Certified Small Businesses (number of businesses certified in FY 15/16; total number of businesses on certified list -1340)	164	142	306
Number of Certified social enterprises	0	9	9
Number of certified DVBES	0	32	32
Number of County contracting dollars awarded to small businesses	\$72,151,683	\$51,071,163	\$123,222,846
Number of small businesses who won contracts with County	490 combined in Q1 and Q2		490

Source: Department of Consumer and Business Affairs (DCBA)

The DCBA will be the County department directly responsible for measuring the percentage of eligible contracting dollars awarded to LSBEs, DVBES, and SEs. This information will be used to demonstrate the County's progress towards achieving the 25% and 3% utilization goals set forth by the Board. The DCBA will also work with each County department to establish a "mini utilization plan" for the respective departments to better position them – individually and collectively – to meet the County's goal. Currently, the County awards less than 5% of its procurement dollars to LSBEs, DVBES, and SEs on a combined basis.

### **Small Business Concierge**

The Small Business Concierge Program was established in January 2015 by motion of the Board as a single point of contact to assist local business owners and potential business owners in starting and growing their businesses in the County. Unlike the Utilization Plan, the Concierge Program will not be restricted to those businesses seeking contracting opportunities with the County, but will instead serve all small businesses that may require targeted assistance. The Concierge Program will provide counseling services to prospective small business owners, and offer guidance and technical assistance in the small businesses development process.

The CEO intends to gather information from DCBA regarding the number of small businesses assisted by the Concierge Program, and the number of new businesses that opened with the support of this program. Additionally, the CEO plans to display data regarding the revenue generated and jobs created by these new small businesses. This data is expected to be available beginning with Fiscal Year 2017-18.

### **Average Permitting Time**

The CEO recognizes the importance of a streamlined zoning and permitting process for new business development. In focus groups conducted with small businesses, a common complaint has been the confusion regarding the variety of permitting, zoning, and licensing requirements that are often necessary in order to start a new business. To address these concerns

### **DEFINING LOCAL SMALL BUSINESS ENTERPRISE (LSBE)**

**Los Angeles County uses the same criteria to define local small business as the State of California's Department of General Services (DGS). To qualify, a business must:**

- **Be independently owned and operated**
- **Not be dominant in its field of operation**
- **Have its main office in Los Angeles County for at least the last 12 months**
- **Have owners (officers in the case of a corporation) who live in California and be either**
  - A business with fewer than 100 employees and an average annual gross receipts of \$14 million or less over the last 3 years
  - A manufacturer with 100 or fewer employees

in the County unincorporated areas, the CEO will monitor the effectiveness of the County's ongoing efforts regarding regional one-stop centers, and a potential public-facing website. Statistical information that will be addressed in future Scorecards will include the average time required to process building permits and land use permits. The first data presented with respect to these zoning and permitting processes is expected to be delivered in Fiscal Year 2017-18.

## **DEFINING DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)**

**To be identified as a Los Angeles County  
Disabled Veteran Businesses Enterprise, a  
business must:**

- **Be certified by one of the following  
departments:**
  - The U.S. Department of Veterans  
Affairs (VA), which certifies  
businesses as Service Disabled  
Veteran Owned Small Business  
(SDVOSB).
  - The State of California Department  
of General Services (DGS), which  
certifies a business as a DVBE.
- **Register as a vendor with Los Angeles  
County**
  - During the registration process, the  
business will be asked to provide  
information on its VA or DGS  
certification.

## **DEFINING SOCIAL ENTERPRISE (SE)**

**To be identified as a Los Angeles County  
Social Enterprise, a business must:**

- **Be certified or registered by any of the  
following organizations:**
  - B Lab Corporation, which  
certifies businesses as a B  
Corporation.
  - California Secretary of State,  
where businesses can register  
their business entity as a Benefit  
or Social Purpose Corporation.
  - City of Santa Monica, which offer  
a Green Business Certification.
  - City of Los Angeles, which offers  
a Green Business Certification.
- **Register as a vendor with Los Angeles  
County**
  - During the registration process,  
the business will be asked  
to provide their mission  
statement, a description of their  
programs, services, and  
responses to questions that  
provide further detail on the  
business's social impact.

# FINANCIAL ASSISTANCE

Prior to the dissolution of redevelopment in February 2012, the Community Development Commission (CDC) acted as the County's redevelopment agency in the County unincorporated areas. Even after dissolution, the CDC continued to support neighborhood revitalization and blight removal in low and moderate income unincorporated areas through façade improvement programs, commercial storefront renovations, and business loans. These programs provide financial and technical assistance to support business tenants and property owners, and seek to help beautify business districts by making them more inviting for shoppers and residents as neighborhoods are revitalized.

## Blight Removal

By eliminating the blight in a neighborhood, the County and CDC can work with public and private partners to increase the property values in the surrounding area and catalyze investment in the neighborhood. The CDC has facilitated blight removal through its business loan program, which has funded as many as 29 storefront improvements in a single year. Shown below is data for the CDC's blight removal and business revitalization program from 2005-06 through 2015-16.

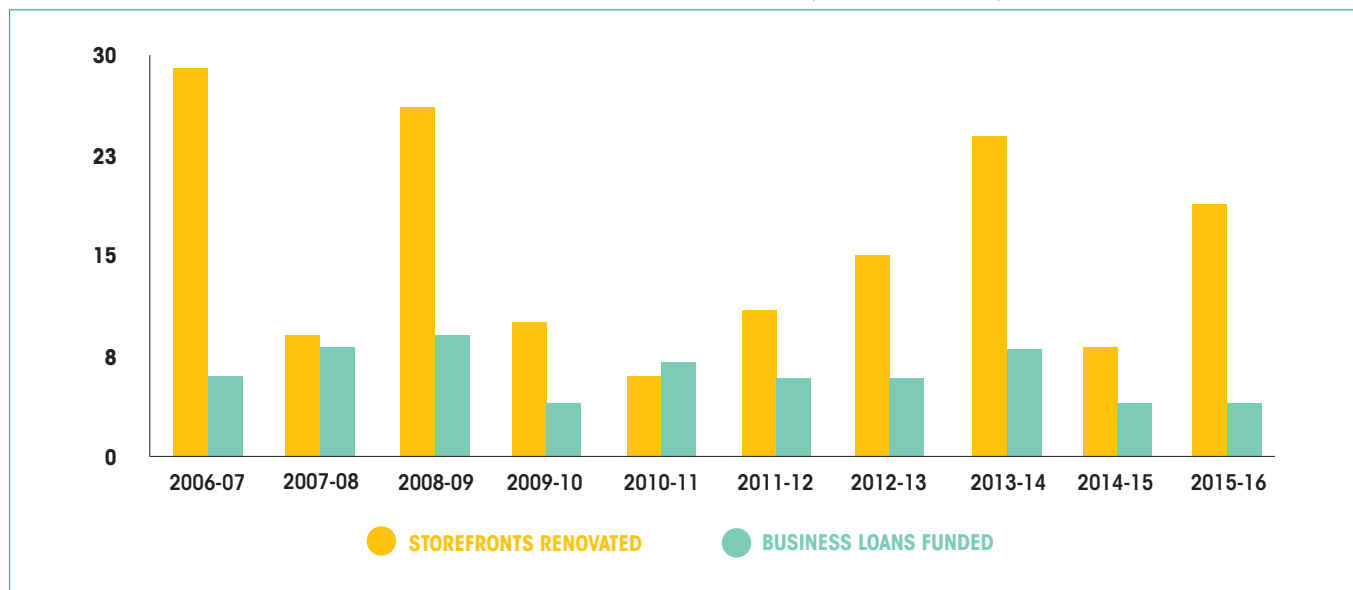
Going forward, investments in façade improvements will continue through a new Community Business

### LOANS FOR BLIGHT REMOVAL (FISCAL YEARS)

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Commercial Storefronts Renovated	29	9	26	10	6	11	15	24	8	19
Business Loans Funded	6	8	9	4	7	6	6	8	4	4

Source: Community Development Commission of the County of Los Angeles (CDC), Comprehensive Annual Financial Report 2015-16

### NEIGHBORHOOD REVITALIZATION (FISCAL YEARS)



Source: Community Development Commission of the County of Los Angeles (CDC), Comprehensive Annual Financial Report 2015-16

Revitalization Program called RENOVA TE. Communities in 11 unincorporated areas have been targeted for this Program. Grant awards will be in the amount of \$35,000 to \$100,000, and the recipient is required to ensure that improvements are maintained in good condition for 10 years. Eligible improvements include: design assistance; façade restoration; windows, doors, lighting, and signage; removal of non-conforming elements; and accessibility improvements. The objective of RENOVA TE will be to stimulate investment in the community, revitalize commercial corridors, and support the growth of small businesses.

The CEO will report the statistical data for the RENOVA TE Program as it is provided by the CDC.

### **Business Assistance Loans**

The CDC has historically provided loans for small and medium-size commercial and industrial businesses to grow these businesses and create jobs. Funds from loan programs have been used for real property acquisition, working capital, land acquisition, construction, and equipment and machinery purchases. The CDC's loan programs have included: Micro, Business, Expansion, and Float loans. Many of these loan programs remain ongoing, as they were capitalized prior to the dissolution of redevelopment, often with federal funds.

The Board's recent effort to prioritize economic development has resulted in the creation of three new loan programs to be administered by the CDC: the Manufacturing Revolving Loan Program, Bioscience Revolving Loan Program, and Catalytic Development Fund Program. A summary of each of these loan programs is as follows:

#### **1. Manufacturing Revolving Loan Program**

The Manufacturing Revolving Fund Program is designed to assist manufacturers by providing access to capital for the development, expansion, and retention of manufacturing jobs. Local small and medium-sized manufacturers located in the unincorporated areas of the County may be eligible. Loan funds may be used for land acquisition, construction or renovation of real estate, inventory, working capital, machinery

and equipment, leasehold improvements, and debt refinancing. Loans must be secured with collateral, will range from \$250,000 to \$500,000, and be provided at below market rates, with terms of five to seven years for working capital, ten years for equipment, and 20 years for real estate.

#### **2. Bioscience Revolving Loan Program**

The Bioscience Revolving Loan Program was designed to provide incentives and financing for a strong and growing bioscience sector in the County. The program parameters remain under development.

#### **3. Catalytic Development Fund Program**

The Board approved the creation of a Catalytic Development Fund designed to promote infill and brownfield development along transit corridors in the unincorporated County. The Catalytic Development Fund will be used to leverage New Market Tax Credits and conventional bank financing for employment-generating projects that provide the building space necessary for aerospace, advanced transportation, and other high value-added manufacturing firms. The program parameters are currently under development.

A total of \$4 million in funding was provided in July 2016 to initiate the above loan programs. The CEO will report the statistical data for each of these loans as it is provided by the CDC.

### **Property Accessed Clean Energy (PACE)**

In addition to the loan programs administered by the CDC, the County also manages a residential Property Assessed Clean Energy (PACE) Program, which makes loans to individual property owners through direct assessments on the property tax bill. Established pursuant to California Assembly Bill 811 (2008), the County's PACE Program provides financing for energy efficiency upgrades and renewable energy installations on private residential property. In 2016 alone, the PACE Program funded over \$379 million in home energy improvements which created in excess of 4,000 jobs throughout the County. A summary of 2016 PACE assessments and job creation is provided in the table on the following page.

## PROPERTY ACCESSED CLEAN ENERGY (PACE) FINANCING PROGRAM

DATE	APPLICATIONS SUBMITTED	APPLICATIONS APPROVED	COMPLETED ASSESSMENTS	\$ AMOUNT OF COMPLETED ASSESSMENTS	ESTIMATED # OF JOBS CREATED
January 2016	3,021	2,082	1,187	\$28,259,185	291
February 2016	3,169	2,091	1,301	\$30,238,537	313
March 2016	3,614	2,537	1,425	\$34,845,298	365
April 2016	3,249	2,204	1,313	\$30,907,676	329
May 2016	3,137	2,079	1,233	\$28,346,449	301
June 2016	3,958	2,644	1,273	\$29,991,010	322
July 2016	3,953	2,623	1,415	\$33,755,514	375
August 2016	3,768	2,474	1,560	\$38,791,916	438
September 2016	3,165	2,046	1,321	\$35,506,385	403
October 2016	2,853	1,831	1,134	\$29,726,170	337
November 2016	2,810	1,739	1,111	\$30,307,959	348
December 2016	2,386	1,547	1,048	\$29,304,829	332
<b>TOTAL</b>	<b>39,083</b>	<b>25,897</b>	<b>15,321</b>	<b>\$379,980,927</b>	<b>4,154</b>

Source: County of Los Angeles

### Center for Financial Empowerment

Although local governments have traditionally focused on workforce development and job creation, the County is taking economic development further by helping residents transform their income into savings and durable assets – and then protect these savings and assets from predatory financial practices. Families not only need income, they also need knowledge of and access to affordable financial products and services; incentives to encourage savings and investment; and consumer protections in the financial marketplace. Recognizing this need, the Board established a Center for Financial Empowerment (CFE) to address these issues countywide and to help promote individual economic development. The DCBA launched the CFE in September 2016 through a public-private partnership without the need for direct County funding. The CFE is coordinating a Volunteer Income Tax Assistance Program, as well as services to youth and young adults. Since September 2016, the CFE has trained 214 youths in its “Cash for Grads” program and certified 24 tax preparers to provide volunteer assistance to County residents. Future versions of this

scorecard will strive to capture the total number of tax returns prepared by the CFE, the number of Earned Income Tax Credit dollars claimed, as well as the number of youth trained and bank accounts opened.

### CENTER FOR FINANCIAL EMPOWERMENT (CFE) PROGRAM RESULTS

#### CFE PROGRAM

#### NUMBER OF INDIVIDUALS TRAINED

“Cash for Grads”  
Education Support  
Program for Youth

214 youth,  
18 classes

Volunteer Income  
Tax Assistance  
Program, IRS  
certification  
to become tax  
preparer

24 tax preparers  
certified

Source: Department of Consumer and Business Affairs (DCBA)

# REGIONAL ECONOMIC DATA



## ANNUAL UNEMPLOYMENT RATE (%)

LOCALITY	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
United States	4.9	5.3	6.2	7.4	8.1	8.9	9.6	9.3	5.8	4.6
California	5.4	6.2	7.5	8.9	10.4	11.7	12.2	11.2	7.3	5.4
Los Angeles County	5.1	6.7	8.2	9.7	10.9	12.2	12.5	11.6	7.6	5.1

Source: Los Angeles County Economic Development Corporation (LAEDC) Kyser Center for Economic Research

The economic and demographic profile of Los Angeles County can be highly relevant in evaluating a countywide program for economic development. This scorecard will highlight characteristics of the County economy that can help shape efforts related to: workforce development and job training; business assistance; and financial assistance, including County loan programs. The information presented in this initial vision of the Scorecard is derived primarily from the 2016 People, Industry and Jobs report prepared by the Los Angeles County Economic Development Corporation (LAEDC), and commissioned jointly by the County and the City of Los Angeles. While the data from this report relates solely to Los Angeles County as a whole, future Scorecards will endeavor to collect similar information for the unincorporated areas specifically.

The employment, demographic, and income information shown on this page provides evidence that Los Angeles County has largely recovered from the recession of 2008-09. Yet in comparing the County economy to that of the State, it is apparent that many indicators still lag behind their statewide averages. This is particularly true for median income and the number of households and individuals living below the poverty line. To the extent that the County strives to influence local economic performance, there is a need to address the various inequities that continue to exist in the Los Angeles economy.

One of the principal features of the County's economic development program is to focus resources on individual industries and occupations that are forecasted to experience future growth and expansion. The remaining tables in this Scorecard provide specific information regarding Los Angeles County industries and occupations, and their projected growth rates for

the five-year period of 2015 to 2020. Additionally, the final table in the Scorecard details the composition of business sectors within the unincorporated areas of the County. As stated earlier, it is the intent of this Scorecard to secure additional economic data that will be specific to unincorporated Los Angeles County. Given the County's role as the first layer of government in the unincorporated areas, the economic development programs referenced in this Scorecard can be expected to achieve their greatest impact within these regions.

## SELECTED DEMOGRAPHIC AND INCOME CHARACTERISTICS 2014

	CALIFORNIA	LA COUNTY
Population	38,802,500	10,006,705
Median Age	36.0	35.8
Households	12,758,648	3,269,112
Average Household Size	2.98	3.04
Median Household Income	\$61,933	\$55,746
HH below poverty level	14.7%	16.9%
Per Capita Income	\$30,441	\$28,373
Individuals Below Poverty	16.4%	18.7%
Median Home Value	\$412,700	\$464,400

Source: Los Angeles: People, Industry and Jobs, Institute for Applied Economics, LAEDC, May 2016.

**INDUSTRIAL PROFILE 2014  
(% OF TOTAL EMPLOYMENT)**

LA COUNTY	
<b>TOTAL NONFARM PAYROLL EMPLOYMENT</b>	<b>100.0%</b>
<b>Good Producing Industries</b>	<b>11.8%</b>
Natural Resources and Mining	0.2%
Construction	2.9%
Manufacturing – Durable Goods	4.9%
Manufacturing – Nondurable Goods	3.9%
<b>Service Providing Industries</b>	<b>75.3%</b>
Wholesale Trade	5.3%
Retail Trade	9.9%
Transportation, Warehousing, Utilities	3.8%
Information	4.8%
Financial Activities	5.0%
Professional and Business Services	14.5%
Educational and Health Services	17.3%
Leisure and Hospitality	11.2%
Other Services	3.5%
<b>Government</b>	<b>12.9%</b>

**INDUSTRY EMPLOYMENT GROWTH PROJECTIONS  
2015-2020  
(LOS ANGELES COUNTY)**

	ANNUAL AVERAGE % GROWTH	CHANGE IN EMPLOYMENT (000s)
<b>TOTAL NONFARM PAYROLL EMPLOYMENT</b>	<b>1.5%</b>	<b>346.1</b>
<b>Good Producing Industries</b>	<b>1.0%</b>	<b>26.3</b>
Natural Resources and Mining	0.7	0.2
Construction	3.1	20.9
Manufacturing – Durable Goods	0.3	3.3
Manufacturing – Nondurable Goods	0.2	2.0
<b>Service Providing Industries</b>	<b>1.8%</b>	<b>312.3</b>
Wholesale Trade	1.0	11.3
Retail Trade	0.4	9.4
Transportation, Warehousing, Utilities	0.5	4.2
Information	0.8	8.4
Financial Activities	1.7	18.5
Professional and Business Services	3.0	98.6
Educational and Health Services	2.5	99.8
Leisure and Hospitality	2.0	49.1
Other Services	1.6	12.9
<b>Government</b>	<b>0.3%</b>	<b>7.5</b>

Source: Los Angeles: People, Industry and Jobs, Institute for Applied Economics, LAEDC, May 2016.

Source: Los Angeles: People, Industry and Jobs, Institute for Applied Economics, LAEDC, May 2016.

## OCCUPATIONAL PROFILE IN LOS ANGELES COUNTY

OCCUPATION GROUP	2015	GROWTH PROJECTIONS 2015-2020		
	% OF EMPLOYMENT	NEW JOBS	REPLACEMENT	TOTAL*
Management occupations	5.7%	15,420	18,490	33,910
Business and financial operations	5.6%	15,720	18,210	33,930
Computer and mathematical science	2.4%	10,050	8,540	18,580
Architecture and engineering	1.7%	4,700	7,320	12,020
Life, physical and social science	0.9%	2,180	3,250	5,430
Community and social services	1.6%	7,840	7,320	15,160
Legal occupations	1.0%	2,970	2,290	5,260
Education, training and library	5.7%	8,980	11,420	20,400
Arts, design, entertainment, sports, media	3.6%	5,440	10,280	15,720
Healthcare practitioners and technical	5.0%	24,660	18,470	43,130
Healthcare support	2.4%	15,720	10,560	26,270
Protective services	2.7%	6,690	7,800	14,490
Food preparation and serving	9.2%	40,750	73,930	114,680
Building grounds cleaning and maintenance	2.7%	17,550	11,630	29,180
Personal care and service	2.7%	20,380	19,150	39,530
Sales and related	10.4%	17,990	63,010	81,000
Office and administrative support	17.1%	52,360	63,410	115,770
Farming, fishing and forestry	0.1%	220	560	780
Construction and extraction	2.5%	14,440	8,190	22,620
Installation, maintenance and repair	3.0%	8,400	15,130	23,540
Production	6.5%	11,470	24,190	35,660
Transportation/material moving	7.2%	17,190	29,260	46,450
	100.0%	321,100	432,400	750,500

Source: Los Angeles: People, Industry and Jobs, Institute for Applied Economics, LAEDC, May 2016.

\*May not sum due to rounding

## COMPOSITION OF BUSINESSES IN UNINCORPORATED LOS ANGELES COUNTY

CLASSIFICATION CATEGORY	NUMBER OF COMPANIES	PERCENTAGE BY BUSINESS	
Services	5,866	39.2%	67%
Retail	3,140	21.0%	
Food Service	1,023	6.8%	
Health Care	949	6.3%	33%
Manufacturing	900	6.0%	
Car Wash/Auto/Vehicle	675	4.5%	
Wholesale	650	4.3%	
Transportation	255	1.7%	
Contractors	233	1.6%	
Housing & Lodging	201	1.3%	
Agriculture	136	0.9%	
Garment, Apparel & Textile Mfg	75	0.5%	
Landscaping & Gardening	13	0.1%	
Other	837	5.6%	
<b>Total</b>	<b>14,953</b>	<b>100.0%</b>	

Source: Los Angeles County Assessor's records and unsecured property tax roll (not all businesses included)