

# PATHWAYS FOR ECONOMIC RESILIENCY:

Los Angeles County 2021 - 2026

2021 EXECUTIVE SUMMARY



**LOS ANGELES COUNTY**  
ECONOMIC DEVELOPMENT CORPORATION

## EXECUTIVE INTRO

COVID 19 has devastated communities and economies across the globe in 2020. The full magnitude of the negative economic impact to Los Angeles County is still being revealed. At the beginning of 2020, the Los Angeles regional economy was enjoying a long and unprecedented expansionary period. Unemployment was at 4.4% and the real gross county product was over \$700 billion.

However, beneath the surface, the economy was not doing as well as it appeared. According to a study released by LAHSA in 2020, over 66,000 individuals were experiencing homelessness on any given night in Los Angeles County, and the income divide had severely impacted communities of color, and the tension surrounding the racial inequities faced by our communities had started to boil over. Then, COVID-19 hit, and as a result we have seen a drastic impact onto our economy.

The Board of Supervisors and the applicable County departments and partners should ultimately focus aid and programs on those individuals and businesses that were hit the hardest by the negative economic impacts of the pandemic and, importantly, who also have the least resources to fall

back on to regain their economic footing. For clients, this is workers with at most a high school degree, often Black or Hispanic, and typically young (under 35). For businesses, this is small businesses, often non-white owned, and overwhelmingly in the following industries: food service, arts & entertainment & recreation, non-essential retail, accommodation and personal care and laundry services.

Over the past 9 months, as more data and information are becoming available, we have started to truly comprehend the challenge we face as we look towards recovery. This will enable the County to strategically target its industry development and workforce training programs. This report aims to identify the impact of the pandemic on the industries, workers and communities of Los Angeles County. Through a deep understanding of which industries are hardest hit by the pandemic, in the demographic makeup and skill set of workers in those industries, and the middle skills jobs that may be available for these displaced workers, the report aims to identify trends and patterns that will help patterns that will help create a path towards recovery for Los Angeles.

## KEY FINDINGS

### Employment Overview

At the end of 2019, total employment in the county reached 4.5 million with an unemployment rate of 4.4%. The average annual wage for the region was at \$67,100 and the living wage for a single adult was \$30,800. By September of 2020, COVID-19 had devastated the economy and the region lost 9.8%

of its jobs. In just the first two months of the Safer at Home order, over 716,000 jobs were lost in LA County. Nearly 30% of those jobs lost have been recovered in the following 5 months, but over 500,000 jobs remained unrecovered.

Economic Employment Base in LA County 2019

| Industry Name                            | Employment       | Average Annual Wage |
|--|------------------|---------------------|
| Information                              | 210,439          | \$139,062           |
| Finance and Insurance                    | 134,635          | \$132,108           |
| Utilities                                | 28,370           | \$123,430           |
| Management of Enterprises                | 62,711           | \$117,833           |
| Professional and Technical Services      | 299,007          | \$110,795           |
| Arts, Entertainment and Recreation       | 107,967          | \$106,847           |
| Government                               | 174,522          | \$95,807            |
| Mining and Natural Resources             | 1,895            | \$94,990            |
| Real Estate, Rental and Leasing          | 88,646           | \$74,486            |
| Manufacturing                            | 338,308          | \$74,088            |
| Construction                             | 149,695          | \$69,921            |
| Wholesale Trade                          | 218,454          | \$67,840            |
| Transportation and Warehousing           | 230,039          | \$67,355            |
| Education Services                       | 380,928          | \$62,399            |
| Health Care and Social Assistance        | 777,828          | \$49,841            |
| Administrative, Support and Waste Svcs   | 278,535          | \$46,782            |
| Agriculture, Forestry, Fishing & Hunting | 4,383            | \$42,412            |
| Other (Personal) Services                | 154,961          | \$42,307            |
| Retail Trade                             | 416,640          | \$38,500            |
| Accommodation and Food Services          | 448,709          | \$27,162            |
| <b>TOTAL COVERED</b>                     | <b>4,506,672</b> | <b>\$63,411</b>     |

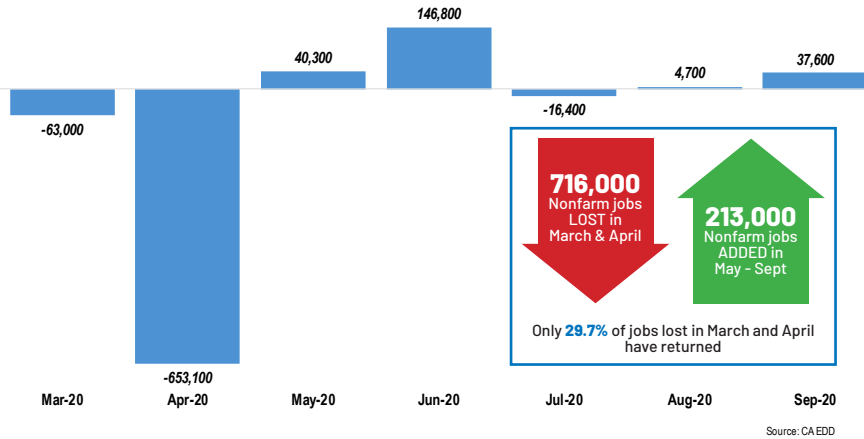
Source: BLS, QCEW

Industry Employment In Los Angeles County  
(As of September 2020)

| Industry Description                | 20-Sep (000s)  | % Δ from 19-Sep |
|-------------------------------------|----------------|-----------------|
| Arts, Entertainment and Recreation  | 59.4           | -39.50%         |
| Accommodation and Food Services     | 322.2          | -28.20%         |
| Other Services                      | 123.9          | -22.10%         |
| Information                         | 185.5          | -15.80%         |
| Real Estate/Rental/Leasing          | 79.3           | -10.30%         |
| Educational Services                | 123.5          | -10.10%         |
| Mining and Logging                  | 1.8            | -10.00%         |
| Administrative and Waste Services   | 255            | -9.70%          |
| Manufacturing                       | 338.3          | -7.20%          |
| Professional and Technical Services | 279.9          | -6.70%          |
| Transportation and Warehousing      | 190.7          | -6.30%          |
| Retail Trade                        | 387.9          | -5.70%          |
| Government                          | 553.6          | -5.60%          |
| Mgmt of Co's/Enterprises            | 58.8           | -5.00%          |
| Wholesale Trade                     | 208.3          | -4.90%          |
| Health Care and Social Assistance   | 684.8          | -3.70%          |
| Construction                        | 147.2          | -2.60%          |
| Utilities                           | 12.6           | 4.10%           |
| Finance and Insurance               | 141.1          | 4.80%           |
| <b>TOTAL NONFARM</b>                | <b>4,129.3</b> | <b>-9.80%</b>   |

Source: CA EDO, LMID, CES

### Monthly Change in LA County Payroll Employment Month-over month change in nonfarm employment



**2019 EMPLOYMENT - 4,506,672**

**2020 EMPLOYMENT THROUGH  
SEPT - 4,129,300 (-9.8%)**

### Living Wage Jobs in Los Angeles County

In 2019 there were approximately 4.16 million living wage jobs (defined by MIT as the minimum amount of income necessary for the "basic needs of a family" and is currently at \$14.83 per hour or \$30,800 per year for a single person household in Los Angeles) in Los Angeles County. Prior to the pandemic, approximately 95 percent of occupations paid a living wage and 85 percent of County jobs earned a living wage. By the end of 2020, it is estimated that 392,000 living wage jobs were lost in the region. Additionally,

it is projected that Los Angeles will not regain the 392,000 living wage jobs lost during the pandemic until 2024. Furthermore, based on the estimated 3,768,000 living wage jobs currently available in Los Angeles County as of 2020, **the County will need to create a total of 738,672 living wage jobs in order provide living wage jobs to the estimated 4,506,672 total employees in the County.**

#### Estimated Living Wage Jobs in Los Angeles California

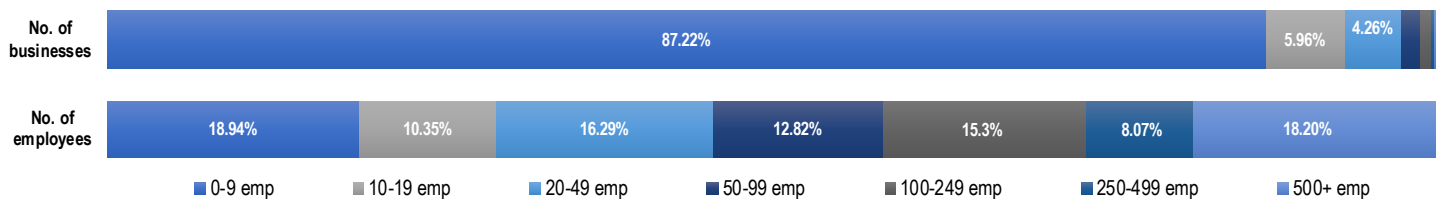
| 2019      | 2020e     | 2021f     | 2022f     | 2023f     | 2024f     |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 4,160,000 | 3,768,000 | 3,806,000 | 3,920,000 | 4,077,000 | 4,159,000 |

### Business Closures in Los Angeles

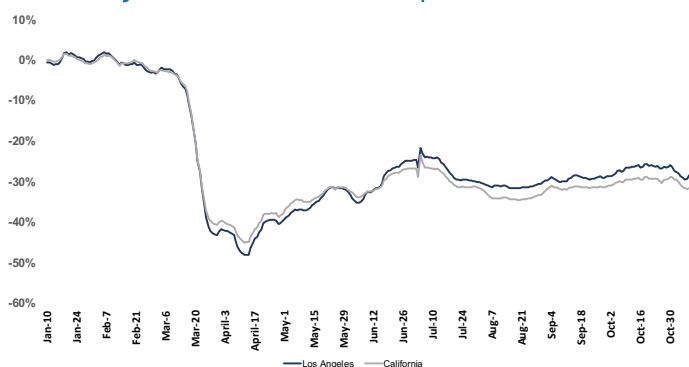
Los Angeles County is especially sensitive to the impact of COVID-19, as over 93% of all LA County businesses are small businesses with less than 20 employees. A survey conducted in May found that over 62% of small businesses in the LA Basin reported that they have less than 2 months of cash on hand to cover for business operations. As of November 9th, there has

been a 28.6 percent decline in the number of small businesses that are open in Los Angeles, and there are at least 15,000 businesses in Los Angeles that have reported closure (including permanent and temporary) from March through August.

#### Small Businesses in LA County 2019



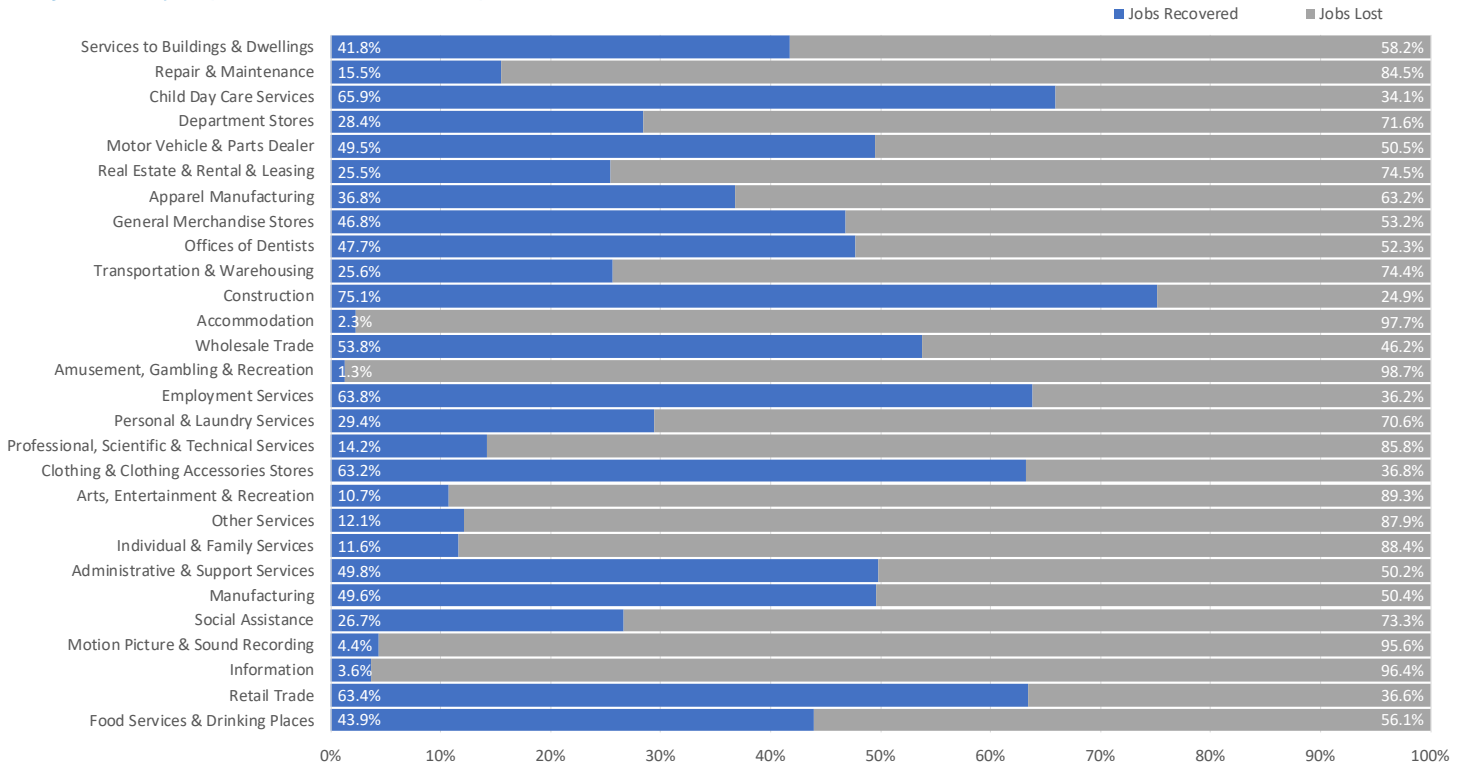
#### Percent Change in Number of Small Businesses Open



#### Key Closure Metrics by Industry

| Industry Name                      | Establishment Days with <= 5% Pre-COVID Traffic | Establishments with 7+ Consecutive Days of Closure |
|------------------------------------|---|--|
| Food Services and Drinking Places  | 272,620   | 1,320  |
| Arts, Entertainment and Recreation | 17,230  | 750  |
| Non-essential Retail               | 10,500  | 480  |
| Health Care                        | 3,870   | 150  |
| Accommodation Services             | 3,300   | 140  |
| Motion Picture and Sound Recording | 2,070   | 90   |
| Personal Care Services             | 1,820   | 80   |
| Trade Logistics                    | 890   | 30   |
| Infrastructure                     | 730   | 30   |
| Transportation and Warehousing     | 540   | 20   |
| Construction                       | 310   | 10   |
| Drycleaning and Laundry Services   | 70  | -  |

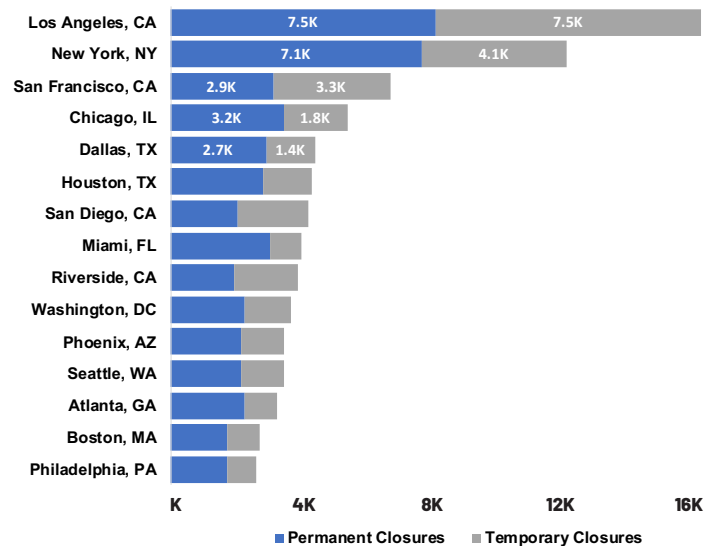
## Change in Jobs May - Sept as Share of Jobs Lost Mar - Apr 2020



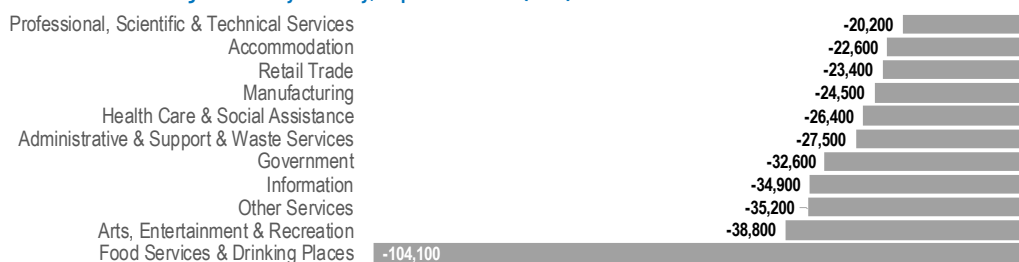
## Industry Impact

COVID-19 has significantly changed the makeup of our regional employment. Some industries were able to adjust to remote working. However, many others are dependent on in person customers, and were not able to transition to working remotely. Certain industries recovered quite well (with Construction regaining 75.1% of the jobs lost in the early months of the pandemic, and Child Day Care Services regaining 65.9%), but there are others that have not rebounded (with Motion Picture and Sound Recording only regaining 4.4% and Accommodation regaining 2.3%). **Compared to September 2019, Los Angeles County lost over 437,100 jobs, with Food Services and Drinking Places losing over 104,00 jobs.**

## Business Closures by U.S. Metro Since March 1



## Year-Over-Year Change in Jobs by Industry, September 2020 (NSA)



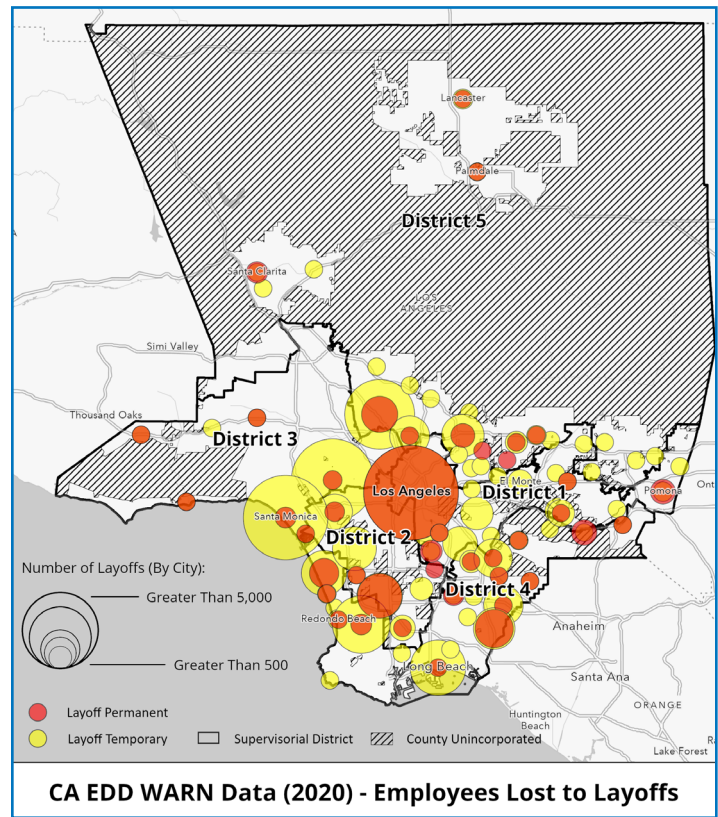
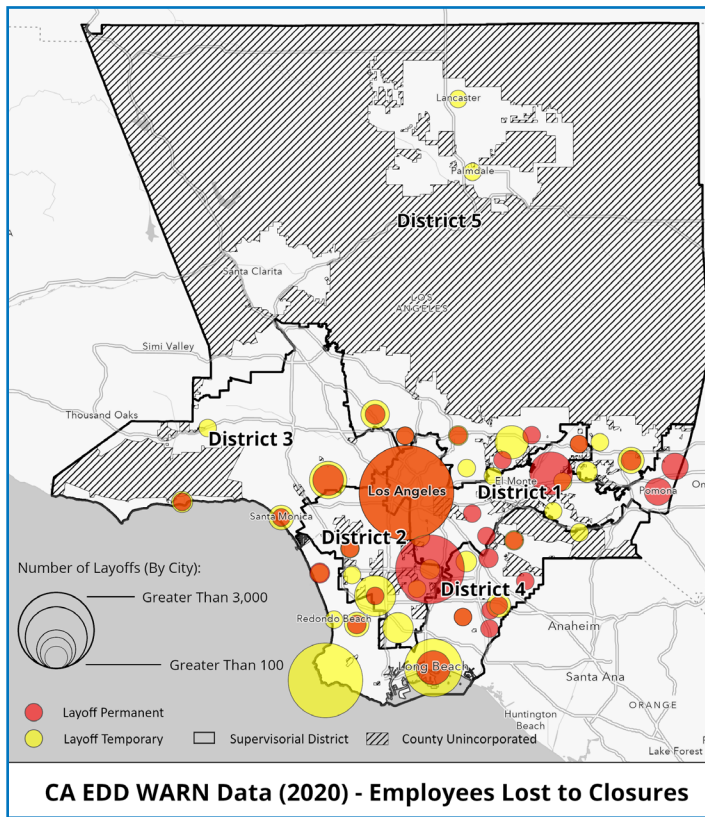
Source: BLS



## Geographic Impact on Employment

Thousands of employees lost their jobs temporarily and permanently due to business closures. **The concentration of total jobs lost due to business closures or layoffs impacted Supervisorial Districts 1 (76,907 jobs lost)**

**and 4 (31,102 jobs lost) more severely than the rest of the County (less than 20,000 jobs lost in other districts).**



CA EDD WARN DATA (2020) - Employees Lost to Closure and Layoffs

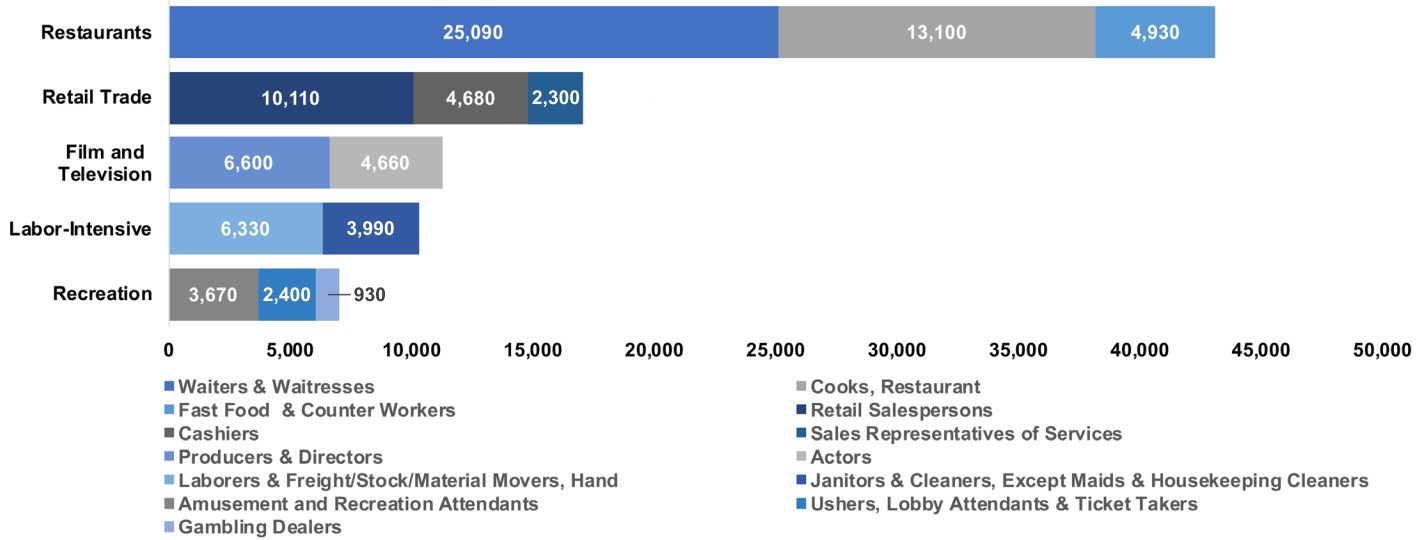
| Supervisorial District | Permanent Closure | Temporary Closure | Permanent Layoffs | Temporary Layoffs | TOTAL  |
|------------------------|-------------------|-------------------|-------------------|-------------------|--------|
| 1                      | 6,026             | 5,832             | 11,215            | 53,834            | 76,907 |
| 2                      | 2,543             | 2,055             | 3,132             | 7,502             | 15,232 |
| 3                      | 594               | 1,450             | 1,517             | 9,693             | 13,254 |
| 4                      | 1,493             | 5,294             | 6,954             | 17,361            | 31,102 |
| 5                      | 599               | 2,371             | 4,105             | 11,934            | 19,009 |

## Hardest Hit Industries in Los Angeles County

Industries that were most severely impacted were due to their dependence on in-person customers and their inability to transition to remote work as the technology or professional services industries were able to do. Dislocated

workers in these industries may not find a job within the hardest hit industries in the near term, and will need supportive services, such as retraining or upskilling programs, to help them re-enter the workforce.

## Job Losses by Detailed Occupation Group in LA County (Feb 2020 - Oct 2020)



## Key Closure Metrics by Industry

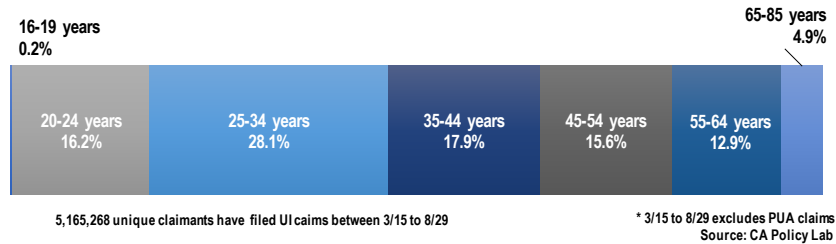
| Industry                                | Job Lost (2020) | Job Lost % (2020) | Avg. Salary |
|---|-----------------|-------------------|-------------|
| Hospitality                             |                 |                   |             |
| • Accommodation                         | 21,300          | 42.6% decline     | \$41,500    |
| • Food Service                          | 104,600         | 26.2% decline     | \$25,400    |
| Non-Essential Retail                    | 23,400          | 22.1% decline     | —           |
| • Furniture and Home Furnishings Stores | —               | —                 | \$40,316    |
| • Department Stores                     | —               | —                 | \$18,133    |
| Personal Care & Laundry Service         | 20,400          | 35% decline       | \$33,300    |
| Arts, Entertainment & Recreation        | 37,000          | 38% decline       | —           |
| • Performing Arts and Spectator Sports  | —               | —                 | \$206,214   |
| • Amusements, Gambling, Recreation      | —               | —                 | \$32,000    |
| Motion Picture and Sound Recordings     | 36,500          | 27% decline       | \$130,100   |

## Demographics of the Unemployed in California

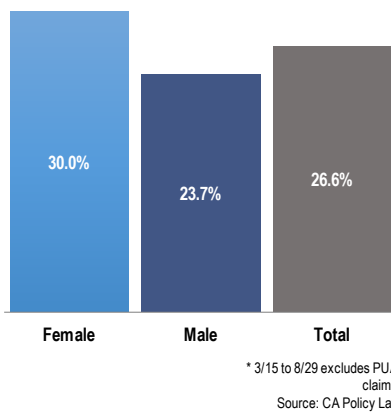
The pandemic's impact on California's workers is not equal. Our report found that Californians who are younger, people of color, female and have lower educational attainment have filed for unemployment at a higher rate than the general population. More specifically, 44.3% of Californians who filed for unemployment insurance are 34 years old or younger, 65.3% were people of color, and 56.9% had an education attainment of high school or lower.

Female workers have filed for unemployment at a rate that is 6.4% higher when compared to the male cohort. Workers with higher education attainment levels have filed for unemployment at a lower rate than those with a high school education attainment level. It appears that higher education could provide some buffering effect against the volatility of the labor market.

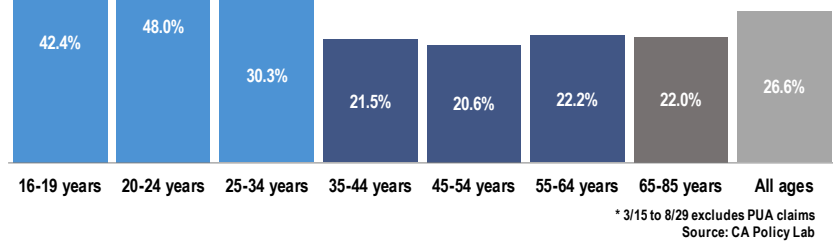
Initial UI Claims in CA During the COVID-19 Crisis\*  
distribution of total unique claimants by age group



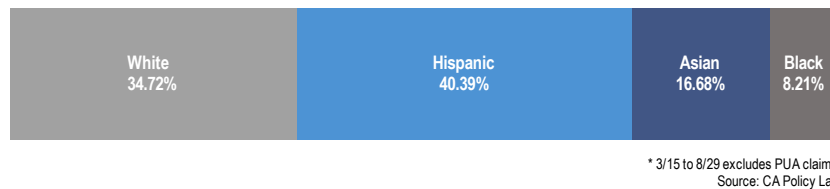
Initial UI Claims in CA by Gender\*  
as a share of labor force



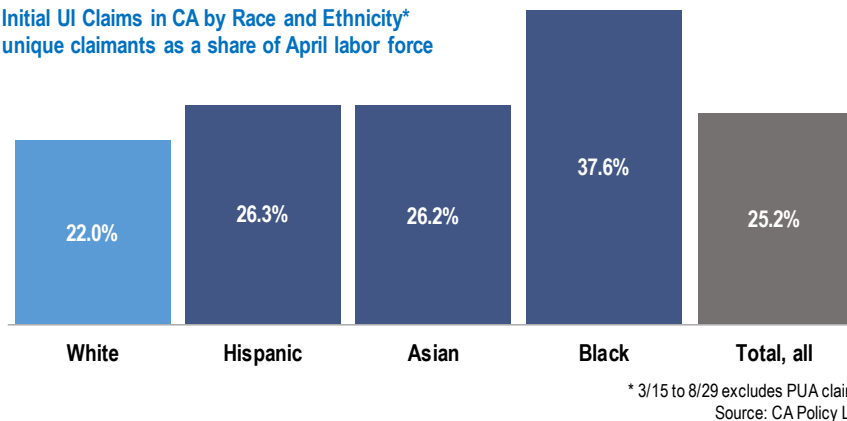
Initial UI Claims in CA by Age Group\*  
unique claimants as a share of April labor force



Initial UI Claims in CA During the COVID-19 Crisis\*  
distribution of total unique claimants by race and ethnicity



Initial UI Claims in CA by Race and Ethnicity\*  
unique claimants as a share of April labor force



## Vulnerable Population

A number of population groups continue to face tremendous barriers. The homeless population has continued to grow throughout Los Angeles, with over 66,436 homeless individuals living in Los Angeles County in 2020. A count conducted by LAHSA showed the number of people experiencing homelessness in LA increased by 12.7 percent from 2019 to January 2020. LAHSA's 2020 point-in-time count was conducted in January, before

COVID-19 reached the U.S. and the Safer At Home order resulted in mandated closures of nonessential industries resulting in hundreds of thousands of jobs lost in Los Angeles County, as such, the increase experienced between the 2019 and 2020 census does not reflect the effects of COVID-19 and the subsequent economic hardship felt by many.

**2020 Greater Los Angeles Homeless Count**  
Data Summary Total Point-In-Time Homeless Population by Geographic Areas

| Geographic Area    | Sheltered | Unsheltered | Total  | Total Percentage Change 2019-2020 |
|--------------------|-----------|-------------|--------|-----------------------------------|
| Los Angeles County | 18,395    | 48,041      | 66,436 | 13%                               |
| SD1                | 3,539     | 10,966      | 14,505 | 0.40%                             |
| SD2                | 8,445     | 14,309      | 22,754 | 23%                               |
| SD3                | 3,583     | 10,920      | 14,503 | 17%                               |
| SD4                | 1,252     | 5,493       | 6,745  | -2%                               |
| SD5                | 1,576     | 6,353       | 7,929  | 20%                               |

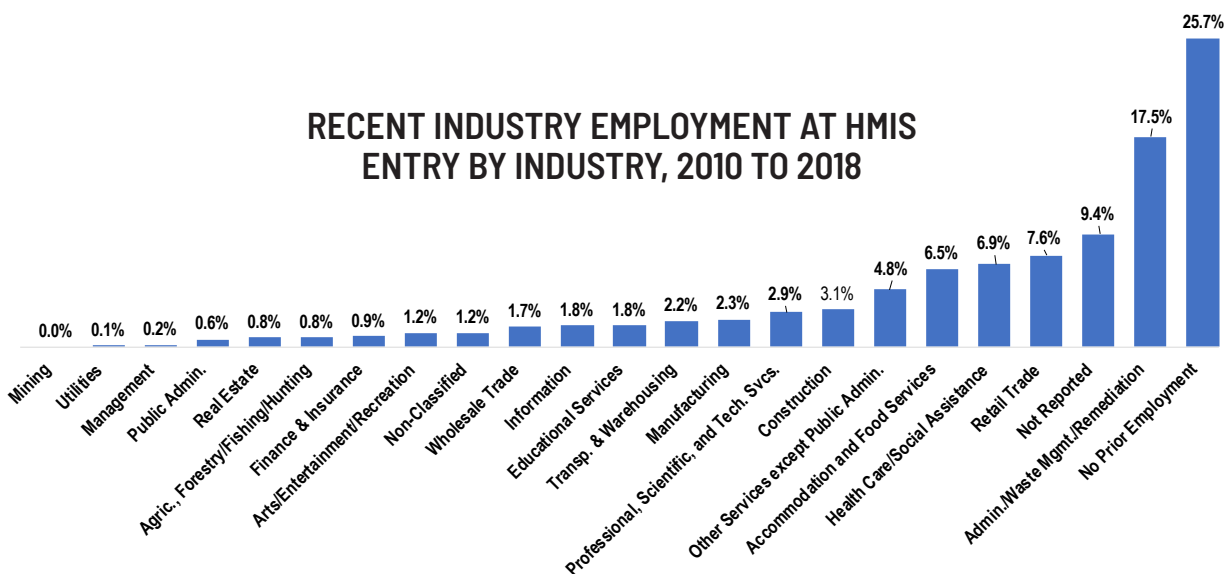
Prepared by Los Angeles Homeless Services Authority (7/31/2020)

Furthermore, LA County's Alternatives to Incarceration Work Group revealed that the Los Angeles County jail system, the largest in the United States, holds more than 17,000 people daily. In 2017, there were 128,531 admissions to the LA County jail system. However, the daily jail population declined from the pre-COVID average of 17,000 people to around 12,000 from April to June 2020. This jail population decrease was the result of active steps taken by the Los Angeles criminal justice system to limit arrests. The daily jail population began to steadily rise again beginning in July 2020. Recent data shows, that as of December 9th, 2020, the daily jail population sits around 15,450. Many of the justice involved individuals will face tremendous difficulties to enter or reenter the workforce.

The pandemic has negatively affected employment figures in several industries where homeless workers are concentrated. A breakdown of

recent industry employment in Los Angeles County's Homeless Management Information System through the years of 2010 to 2018 shows that over a third of clients either had no prior employment or did not report, most of the remaining of the major industries worked in were some of the hardest hit industries by job losses. Homeless service clients are largely concentrated in low wage jobs; 7.6% last worked in retail trade occupations, 6.9% in health care and social assistance, and 6.5% in accommodations and food services. Another 17.5% were located in administrative and support or waste management and remediation jobs. The pandemic's effect on the industries that many homeless service clients are working in – shutting down business locations and forcing layoffs – undoubtedly has made the situation more difficult for this subset of the population. With training, upskilling, and supportive housing services, many of the homeless population could potentially be matched with job and career opportunities in high-growth industries.

## RECENT INDUSTRY EMPLOYMENT AT HMIS ENTRY BY INDUSTRY, 2010 TO 2018



## Industries with More Stability: Frontline Industries

Some sectors, such as the Frontline Industries (identified as essential to meet basic human needs and safety in times of disaster, such as pandemics, terrorist attacks, and natural disasters including earthquakes and fires), are less prone to negative impacts from catastrophic events like the pandemic, offer middle skills jobs and could provide more job stability for their workers. Frontline industries have exhibited more job stability relative to industries that have been restricted. Continued operations have meant fewer workers have been let go (5.9% decrease in job growth in the second quarter of 2020) due to regulations and mandated closures compared to non-essen-

tial industries (23.4% decrease in job growth in the second quarter of 2020). Transportation, Logistics, Industrial, Commercial and Residential Buildings, and Healthcare are amongst some of the Frontline Industries that have demonstrated resiliency against the economic impact of the pandemic. As we look towards recovery, the County may want to consider training more workers for higher paying occupations within the Frontline Industries (such as healthcare workers, childcare and social services workers, and manufacturing) to mitigate any potential negative impact to the economy in case of future catastrophic events like a pandemic.

## Characteristics of Workers in Frontline Industries

|                        | All Frontline Industries | Grocery, Convenience, and Drug Stores | Transportation, Logistics and eCommerce | Industrial, Commercial and Residential Buildings | Health Care and Related | Child Care and Social Services | Government, includes Protective Services (safety & EMS) and Public Works | Energy, Water and Waste Management | Finance, Insurance, Professional Services and Related | Communications/ IT | Critical Manufacturing |
|------------------------|--------------------------|---------------------------------------|---|--|-------------------------|--------------------------------|--|------------------------------------|---|--------------------|------------------------|
| All Workers (16+)      | 3,464,957                | 304,556                               | 365,469                                 | 563,053  | 679,671                 | 356,994                        | 193,050  | 73,867                             | 495,493   | 137,357            | 295,447                |
|                        | (%)                      | (%)                                   | (%)                                     | (%)  | (%)                     | (%)                            | (%)  | (%)                                | (%)   | (%)                | (%)                    |
| <b>Gender</b>          |                          |                                       |   |  |                         |                                |  |                                    |   |                    |                        |
| Female                 | 48.8                     | 47.5                                  | 30.6                                    | 30.8   | 69.3                    | 70.4                           | 48.2   | 28.5                               | 55  | 36.2               | 35.1                   |
| Male                   | 51.2                     | 52.5                                  | 69.4                                    | 69.2   | 30.7                    | 29.6                           | 51.9   | 71.5                               | 45.1  | 63.9               | 64.9                   |
| <b>Race/Ethnicity</b>  |                          |                                       |   |  |                         |                                |  |                                    |   |                    |                        |
| White                  | 68.8                     | 72.4                                  | 71.1                                    | 78.4   | 60.6                    | 61.9                           | 65.7   | 73.8                               | 70.4  | 69                 | 69.3                   |
| Black                  | 8.8                      | 6.7                                   | 10.3                                    | 8.1  | 8.6                     | 15.4                           | 13.7   | 8.1                                | 6.5   | 7.2                | 4.5                    |
| Not Hispanic/Latinos   | 59.6                     | 50.2                                  | 52.9                                    | 52   | 63.6                    | 63.7                           | 60.1   | 53.2                               | 68.21   | 73.6               | 58.5                   |
| Hispanic/Latinos       | 40.2                     | 47.8                                  | 47.1                                    | 48   | 36.4                    | 36.3                           | 39.9   | 46.8                               | 31.8  | 26.4               | 41.5                   |
| Asian                  | 17.7                     | 15.6                                  | 13.3                                    | 8.6  | 26.4                    | 18.3                           | 16   | 13.1                               | 18.7  | 19.2               | 21.8                   |
| Other                  | 1.9                      | 2.4                                   | 2.5                                     | 2.4  | 1.7                     | 1.7                            | 1.8  | 2.2                                | 1.5   | 1.3                | 1.9                    |
| Two or More Races      | 2.8                      | 2.9                                   | 2.8                                     | 2.7  | 2.7                     | 2.8                            | 2.9  | 2.8                                | 2.9   | 3.3                | 2.5                    |
| <b>Education Level</b> |                          |                                       |   |  |                         |                                |  |                                    |   |                    |                        |
| Less than HS           | 18.7                     | 21.9                                  | 21                                      | 24.2   | 15.6                    | 23.1                           | 12.6   | 19.4                               | 11.9  | 11.3               | 22.9                   |
| High School            | 19.6                     | 20.9                                  | 22.2                                    | 21.9   | 17.8                    | 21.3                           | 18.3   | 19.9                               | 16.6  | 16.9               | 19.6                   |
| Some college           | 27.7                     | 24.2                                  | 27.9                                    | 26.4   | 29.4                    | 27.5                           | 33.6   | 28.6                               | 27.8  | 26.5               | 26.3                   |
| Bachelor's or Higher   | 26.3                     | 16.7                                  | 19.3                                    | 19.2   | 30.9                    | 22.2                           | 30.8   | 26.3                               | 37.2  | 37.3               | 26.1                   |
| N/A (<24 y/o)          | 7.7                      | 16.3                                  | 9.5                                     | 8.3  | 6.4                     | 5.9                            | 4.6  | 5.9                                | 6.6   | 8                  | 5.2                    |
| <b>Age</b>             |                          |                                       |   |  |                         |                                |  |                                    |   |                    |                        |
| <24 years              | 7.7                      | 16.3                                  | 9.5                                     | 8.3  | 6.4                     | 5.9                            | 4.6  | 5.9                                | 6.6   | 8                  | 5.2                    |
| 25-34 years            | 22.6                     | 23.5                                  | 23.5                                    | 22.1   | 24.5                    | 18.6                           | 18   | 18.8                               | 24.3  | 31                 | 18.9                   |
| 35-44 years            | 22.8                     | 19.8                                  | 21.6                                    | 22.5   | 23.9                    | 20.2                           | 24.9   | 24.3                               | 25.4  | 26.9               | 20.2                   |
| 45-54 years            | 22.1                     | 19.3                                  | 21.7                                    | 21.6   | 21.6                    | 23.6                           | 27.4   | 24.7                               | 21.4  | 19                 | 23.8                   |
| 55+ years              | 24.9                     | 21.1                                  | 23.8                                    | 25.6   | 23.6                    | 31.6                           | 25.1   | 26.3                               | 22.4  | 15.1               | 32                     |

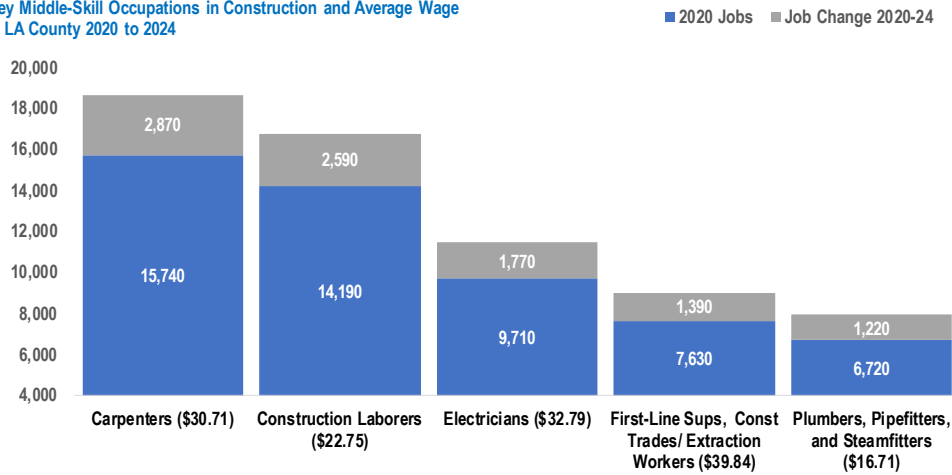


## Middle Skilled Jobs Availability in the Future

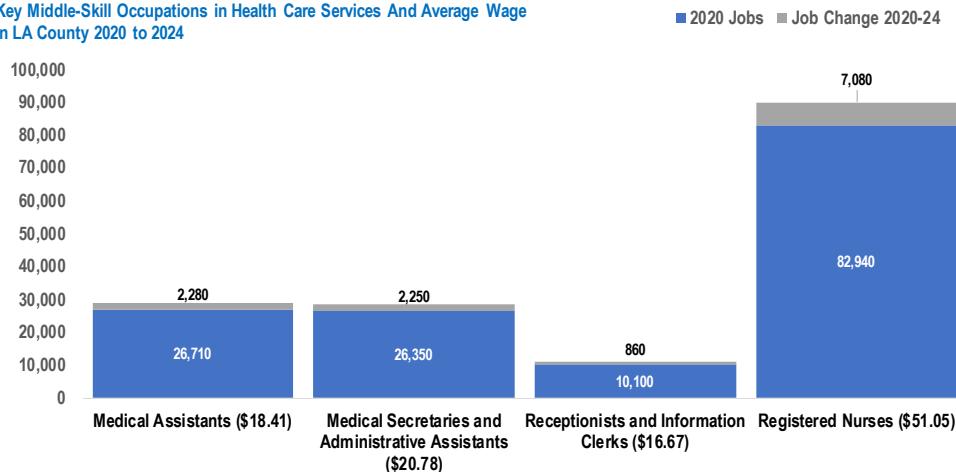
Despite the pandemic, there are certain industries that are projected to grow in the next five years. These industries will provide a base for economic recovery and potential pathways to middle skills jobs that pay above living wage in Los Angeles County in the coming years. Middle skills jobs are accessible with just some post-high school education, pay well and with job openings anticipated in LA County, and thus can be a significant factor in re-employing displaced workers. As we look towards 2021 and beyond,

this report identifies sectors with growth potentials; Transportation & Warehousing, Healthcare, and Construction. In total, we expect that of the over 500,000 total jobs will be added between 2020 and 2024 in Los Angeles County, 139,000 of those will be in middle skill occupations – accounting for over a quarter of the total. These growth sectors could provide a pathway to living-wage jobs for displaced workers in the hardest hit industries.

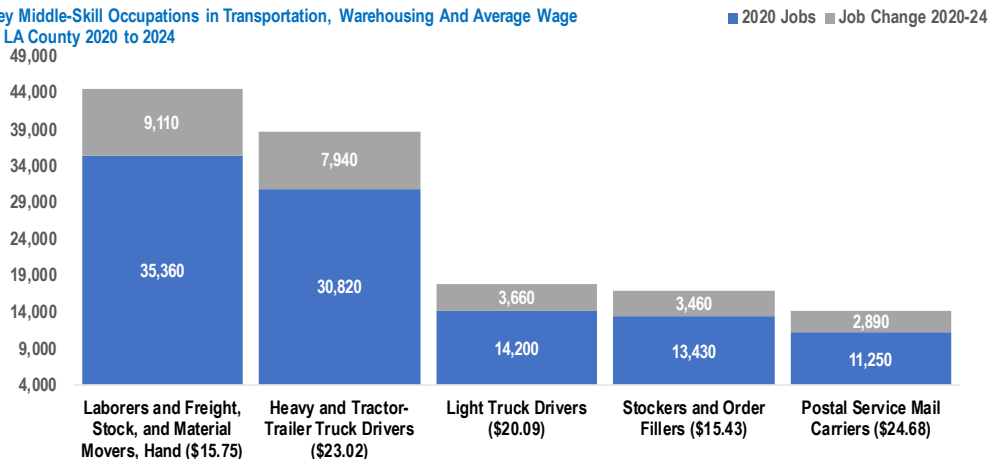
Key Middle-Skill Occupations in Construction and Average Wage in LA County 2020 to 2024



Key Middle-Skill Occupations in Health Care Services And Average Wage in LA County 2020 to 2024



Key Middle-Skill Occupations in Transportation, Warehousing And Average Wage in LA County 2020 to 2024



## Skills Needed for the Jobs of the Future

The transportation and warehousing industry has dealt with some job losses during the pandemic, but there are still opportunities for new employees due to the increased number of people shopping online. The growing trend towards providing fast delivery through optimized logistics and last-mile shipping services has helped job postings in the sector increase by 58% since the start of pandemic. **Workers who are interested in securing positions in the transportation and warehousing occupations should be trained or upskilled for customer service, scheduling and logistics.**

Healthcare and social services industry started off strong by posting 11,778 job openings in L.A. County before falling down by 40% to 7,002 jobs in April 2020. However, the industry saw an increase in demand as there was a clear shortage of labor to keep up the patient demands due to COVID-19. The industry is offering 9,905 job openings as of November 2020. **Workers in-**

**terested in securing jobs in the healthcare and social services industries would benefit in developing specialized skills in Patient Care, scheduling, and Cardiopulmonary Resuscitation (CPR).**

In construction, both construction laborers and carpenters are expected to add over 2,500 jobs in the next four years. As an industry that was largely unaffected by the employment impacts of the pandemic and that retains high demand for its services in the county, middle skill jobs here are good targets for workers. Electricians, supervisors of construction and plumbers, pipefitters and steamfitters are all expected to add between 1,000 to 2,000 jobs as well. **For this industry, the skills in highest demand include scheduling, project management, budgeting, construction management, plumbing, repair, customer service, quality/assurance and control, sales and estimating.**

**Number of Job Postings with Specialized Skills Listed: Transportation and Warehousing (Jan 2020 through Nov 2020)**

| Skill            | Postings |
|------------------|----------|
| Customer Service | 3,400    |
| Scheduling       | 2,600    |
| Logistics        | 2,300    |

**Number of Job Postings with Specialized Skills in Demand: Healthcare and Social Services (Jan 2020 through Nov 2020)**

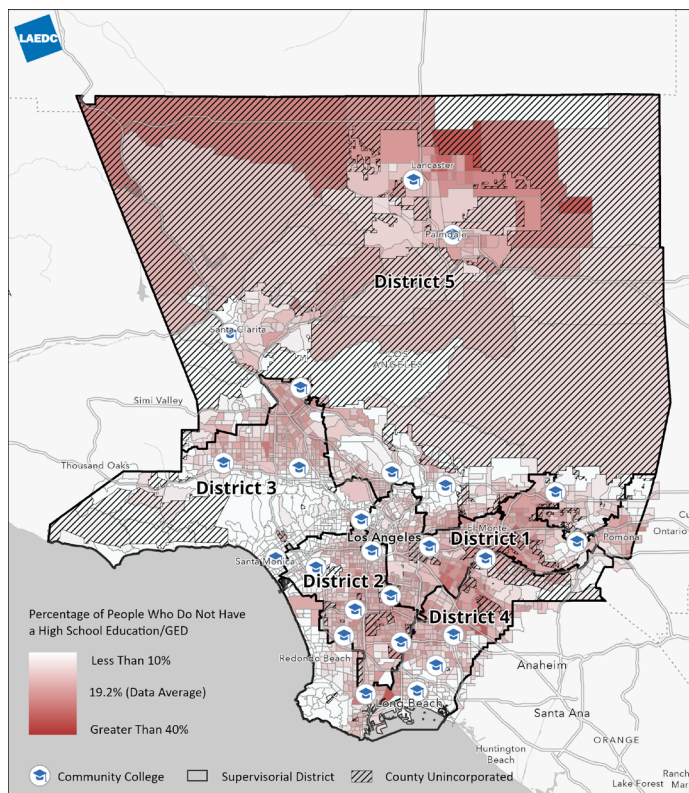
| Skill        | Postings |
|--------------|----------|
| Patient Care | 25,952   |
| Scheduling   | 15,101   |
| CPR          | 13,556   |

**Number of Jobs Projected with Specialized Skills Listed: Construction (2024 Estimate)**

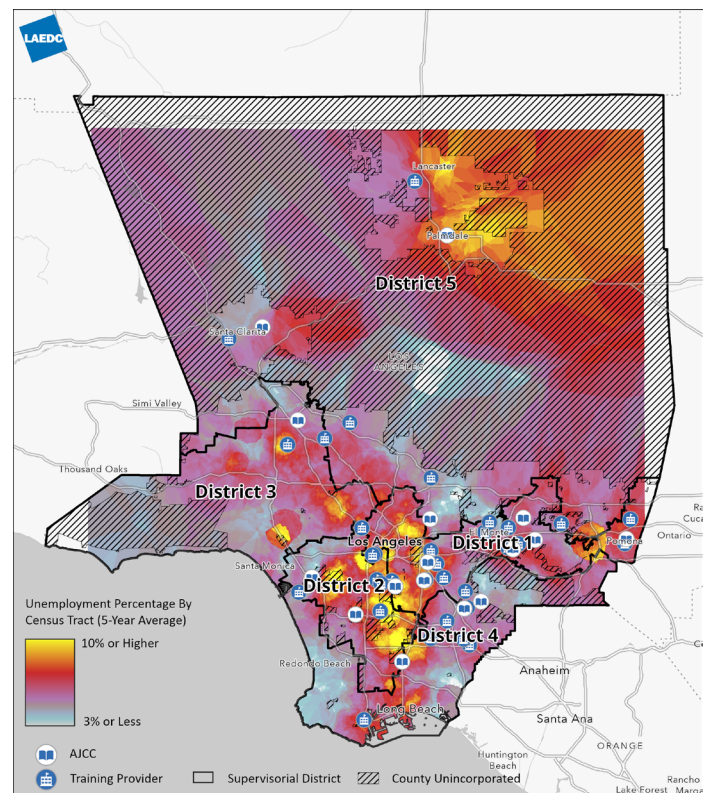
| Skill                         | Postings |
|-------------------------------|----------|
| Scheduling                    | 2,489    |
| Project Management            | 2,231    |
| Budgeting                     | 2,004    |
| Construction Management       | 1,920    |
| Plumbing                      | 1,812    |
| Repair                        | 1,548    |
| Customer Service              | 1,319    |
| Quality Assurance and Control | 1,036    |
| Sales                         | 1,015    |
| Estimating                    | 842      |

## Training Programs Available

Our analysis demonstrated that workers in California with educational attainment of more than a high school degree have filed for unemployment at a lower rate than those who have a high school degree or less as their highest educational attainment level. Through the local community colleges, AJCC and training centers located throughout Los Angeles County, displaced workers have the opportunity to upskill or train for skills needed for the Healthcare, Construction, Transportation and Warehousing industries, and many other industries with high growth potentials.



**Community Colleges in Relation to Education (ACS 2014-2018)**



**AJCC & Training Centers in Relation to Unemployment (ACS 2014-2018)**

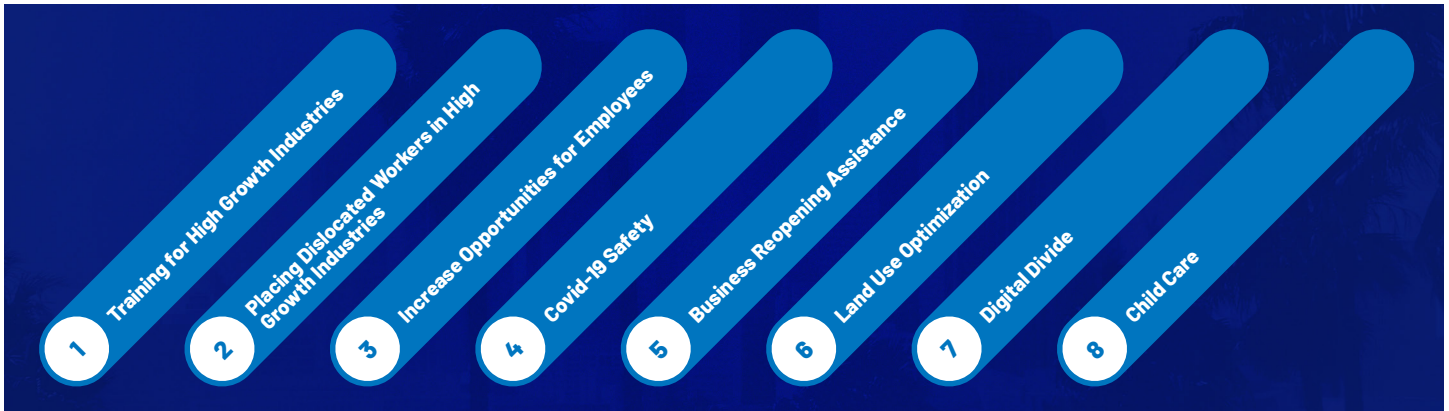
## Training Programs through Community Colleges in Los Angeles County

| School                     | Healthcare | Transportation & Warehousing | Construction |
|----------------------------|------------|------------------------------|--------------|
| Antelope Valley College    | X          | X                            | X            |
| Cerritos College           | X          | X                            | X            |
| Citrus College             | X          | X                            | X            |
| College of the Canyons     | X          |                              | X            |
| Compton College            | X          | X                            | X            |
| East Los Angeles College   | X          | X                            |              |
| El Camino College          | X          | X                            | X            |
| Glendale Community College | X          |                              |              |
| Long Beach City College    | X          | X                            | X            |
| Los Angeles City College   | X          | X                            |              |
| Los Angeles Harbor College | X          | X                            | X            |

| School                         | Healthcare | Transportation & Warehousing | Construction |
|--------------------------------|------------|------------------------------|--------------|
| Los Angeles Mission College    | X          |                              |              |
| Los Angeles Pierce College     | X          | X                            |              |
| Los Angeles Southwest College  | X          |                              | X            |
| Los Angeles Trade Tech College |            | X                            | X            |
| Los Angeles Valley College     | X          |                              | X            |
| Mount San Antonio College      | X          |                              | X            |
| Pasadena City College          | X          | X                            | X            |
| Rio Hondo College              | X          | X                            | X            |
| Santa Monica College           | X          | X                            |              |
| West Los Angeles College       | X          | X                            | X            |

## RECOMMENDATIONS

From the key findings in the RRBA report, a set of recommendations has been identified to support the inclusive recovery of the Los Angeles economy based on the analyses of the most impacted workers and industries and the direct input from industry partners and businesses offered during industry convening meetings in late 2020.



## 1. Training for High Growth Industries

(A number workers throughout the region have been displaced due to the pandemic, and there is a need to provide upskilling and training of those displaced workers to assist them to secure potential jobs and careers in industries that are in demand or have high growth potential as identified in the report.)

## LAEDC Recommends:

WDACS and all departments delivering equitable economic development services align efforts, and **allocate Measure J spending to fund career development in targeted high growth industries for the populations identified with the greatest barriers to employment.** The training programs should be facilitated through the network of America's Job Centers of California (AJCCs) and should be targeted as follows:

**Industries:** Transportation & Warehousing, Health Care, Community & Social Services, Construction, Public Administration

**Occupations:** Construction Laborers, Carpenters, Electrician, Pipe-fitters, Steamfitters, Medical Assistants, Registered Nurses, Truck Drivers, Stock & Material Movers

Focus on **employment training programs** for individuals coming through the local workforce system **on skills that will be most transferable post-pandemic.** WDACS should convene a cohort of employers and develop training programs at community colleges that focus on in-demand skills such as:

**Soft skills:** Technical Writing, P&L Reporting, Customer Service, Data Input, Management, Scheduling, and Budgeting

**Technical skills:** Microsoft Office, Coding Languages, Social Media Platforms

**County work across all departments delivering economic development services,** including the Los Angeles County Development Authority, the Department of Consumer and Business Affairs, and the Department of Regional Planning to **deploy a first-of-its-kind County strategy on business attraction and expansion in key growth industries.** An effective strategy will do the following:

- Target Key Growth Industries: advanced manufacturing and green infrastructure, aerospace, healthcare, trade & logistics, and bio/life sciences industries
- Develop industry advisory councils to help identify employers' skill and workforce needs
- Develop recruiting, assessment, and training strategies to help employers match workers that have successfully completed County affiliated training programs with appropriate skills.
- Identify and outreach to businesses/companies/organizations and establish contractual agreements for employers to hire those workers that go through training programs.

- Offer industry recognized certifications (<https://www.nationalskillscoalition.org/news/blog/dol-releases-guidance-on-industry-recognized-apprenticeship-programs>)
- Provide funding/stipends for registered apprenticeship programs in high growth industries. Identify land use incentives for growing businesses in targeted industries that have committed to hiring workers that have completed County affiliated training programs.

## 2. Placing Dislocated Workers in High Growth Industries

*(Over 437,100 jobs have been lost (between 9/19 and 9/20) and many of these jobs will not return to the region in the next 2 years. The report has also demonstrated that certain industries are expected to grow, and could provide employment opportunities for displaced workers if a system is in place to match displaced workers with training/upskilling programs and ultimately with job opportunities.)*

LAEDC Recommends:

The County **invest in the expansion and enhancement of an online system to rapidly match displaced workers with upskilling programs and job opportunities.**

- This should include the establishment of a Displaced Workers Program, which would entail the creation of an online matching platform to streamline existing services with partner organization to share data and information about employers and jobseekers.
- The online matching platform will integrate the information of jobseekers from the existing AJCC database with the existing information about training and upskilling programs through the Los Angeles Community Colleges and information and data about employers seeking to hire from CalJobs.

The County **expand investment in outreach program in partnership with local community based organizations, non-profits, economic development organizations and business associations to enroll newly displaced workers, jobseekers and potential employers** targeted to communities most impacted by the pandemic as identified by the report.

The County to **provide employee hiring subsidies** to encourage companies in high growth industries (such as Transportation & Warehousing, Health Care, Community & Social Services, Construction) **to hire displaced workers in each district that have completed the Displaced Workers Program.** An effective strategy will do the following:

- For each district, conduct analysis on companies reporting growth in the target industry.
- Once identified, conduct outreach and secure partnership with the identified companies to collect skills and workforce needs of the employers
- Secure commitment from companies to hire from the Displaced Workers Program with offer of hiring subsidies as an incentive.

## 3. Increase Opportunities for Employees

*(Employees face many institutional obstacles. The report demonstrated that workers who are young and from communities of color with an educational attainment of high-school level or less faced a higher rate of unemployment during the pandemic. Many of these workers will encounter challenging barriers trying to re-enter the workforce if institutional obstacles are not removed.)*

LAEDC recommends the County **conduct a public campaign to reduce discriminatory job posting practices with the goal of increasing job opportunities for underserved populations.** An effective strategy will do the following:

- Convene with heads of industry & larger businesses, and support industry leaders with best hiring practices, diversity hiring practices, and ask businesses to commit to reducing barriers of entry into the

workforce by removing the mandatory requirement of college degree for many job postings that may not have such a need.

- Convene a diversity, equity, and inclusion County contracting task force to update County contracting language to ensure that equity is promoted at all levels of each organization that the County chooses to do business with.

## 4. Covid-19 Safety

*(The pandemic has devastated the accommodation, food services, non-essential retail, personal care and laundry service industries with a combined total of 169,700 jobs lost. As these industries are reliant on in-person customers, all of these industries are dependent on the ability for Los Angeles to return to work safely in order to survive this economic downturn.)*

LAEDC recommends:

The County **expand educational awareness campaign to ensure best safety practices** through the **Safer at Work Initiative** and to increase awareness and comfort with the vaccine targeted at lower socio-economic communities.

The County **increase access to PPE Unite** for businesses and workers to secure protective gear and ensure proper protective measures with a focus on small businesses, especially those in underserved communities and communities of color.

The County **establish an online matching system** to help small businesses **to secure a reliable source of PPE** and related materials in smaller quantities and order sizes with Los Angeles based manufacturers who are able to sell PPEs but need a reputable platform to increase customer base.



## 5. Business Reopening Assistance

(Over 437,100 jobs have been lost, between 9/19 and 9/20, and many of these jobs will not return to the region in the next 2 years. Certain industries are expected to grow, and could provide employment opportunities for displaced workers if a system is in place to match displaced workers with training/up-skilling programs and ultimately with job opportunities.)

LAEDC recommends:

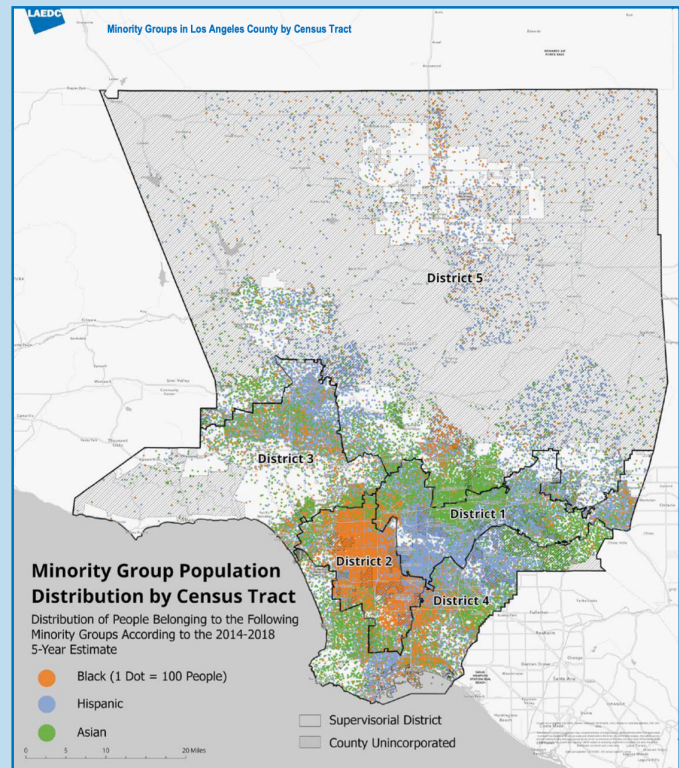
**Invest in small and minority-owned businesses with grants, rental assistance, and access to resources** by targeting the most impacted communities as identified by the report.

LACDA and WDACS **provide rent and grant subsidies for start-ups in target communities for minority & women-owned businesses and entrepreneurs of color**, with a focus on target industries with growth potential: Transportation & Warehousing, Health Care, Community & Social Services, Construction, Public Administration

**Coordination of services between** the Department of Regional Planning, Department of Public Works, Department of Consumer & Business Affairs **to create a one-stop shop program to facilitate permitting process and reopening of businesses.**

- Should the businesses qualify, there should be **automatic enrollment** of these businesses **into the County's Contracting and Procurement programs.**
- The County should also provide resources and training programs for these businesses to better understand how they can meet the Procurement and Contracting standards of the County.

WDACS and the Department of Regional Planning **leverage underutilized county land**, such as parking lots, to support businesses with access to low-cost outside dining facilities and increase inventory and warehousing capacity.



## 6. Land Use Optimization

LAEDC recommends:

**Creation of a public-private partnership to develop underutilized county-owned properties into manufacturing or technology development centers focused on the growth of minority & women owned businesses in targeted areas of high unemployment.**

Based on direct input from industry partners, the County **establish a pilot program to identify and leverage county-owned property in Industrial Ordinance Zone M-3: Unclassified near port for expanding warehousing**

activity, and institute a fee-based permit system to use the space to bolster public revenues.

Based on direct input from industry partners, identify and leverage county-owned property in Industrial Ordinance Zone B-1: Buffer Strip; and Zone B-2 Corner Buffer Strip near restaurant dining areas **to expand outdoor dining** when the regulatory environment allows, and institute a fee-based permit system to allow food services businesses to expand when restrictions have been lifted.



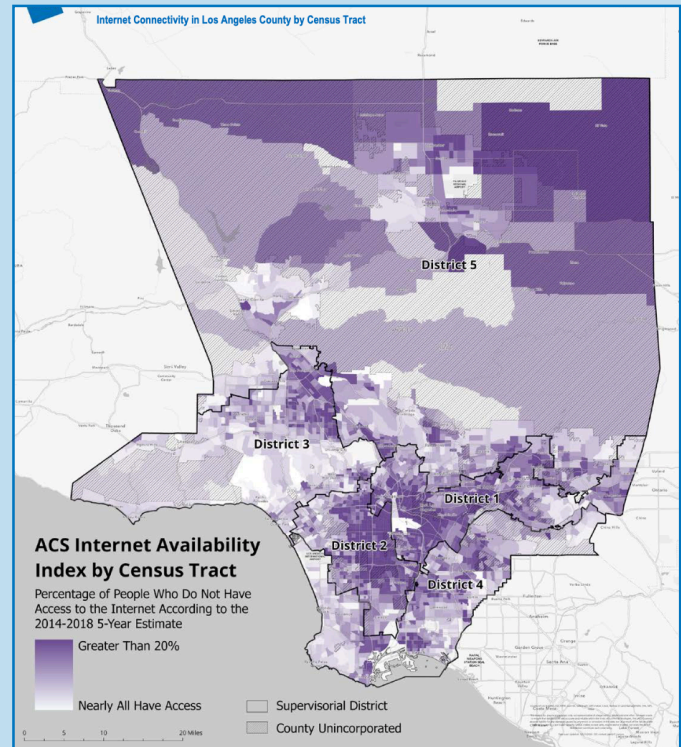
## 7. Digital Divide

(With the Safer at Home order in effect, many non-essential businesses which do not require in person customers were able to transition their operation into remote working. Their employees were expected to rely on internet access from their place of residence to conduct their work. However, the report demonstrated that large portions of Los Angeles County - mainly in Districts 1, 2 and 5 - have more than 20% of the population without reliable access to the internet. Furthermore, these areas are also in areas where there are higher concentration of unemployment and where many communities of color reside. Addressing equitable access to the internet for Los Angeles will be a key factor to support an equitable and inclusive recovery effort.)

LAEDC recommends the County to:

**Provide subsidies for internet access** to workers in target communities with high unemployment rate and limited access to reliable internet services.

**Streamline permitting process for development of regional broadband infrastructure** in partnership with industry with a focus on priority areas in target communities with limited broadband infrastructure and reliable internet access.



## 8. Childcare

LAEDC recommends the County to:

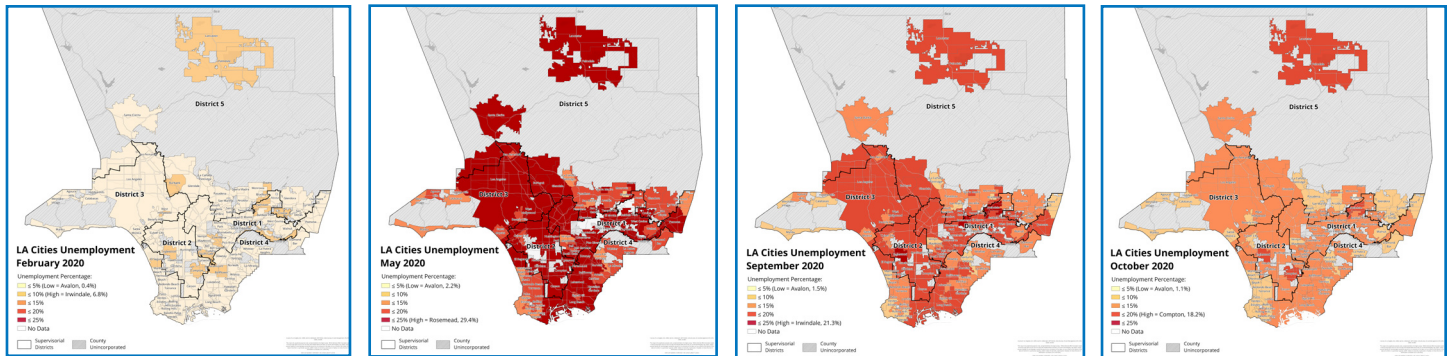
Based on direct input from industry partners, **expand childcare access through vouchers programs** with Department of Public Health and/or Department of Public Social Services, provide grant funds or low interest loans to child/daycare providers, work with DPSS & California Department of Education Child Care to expand the CalWorks program.

**Provide additional funding** for the Department of Children & Family Services (DCFS), Department of Public Social Services' Child Care Resource Center (CCRC), the Child Care Alliance of Los Angeles (CCALA): **Emergency Child Care Bridge Program for Foster Children** (Bridge Program) so that they could provide comprehensive wraparound services including transportation options and access to financial assistance to childcare centers.

## District Snapshot

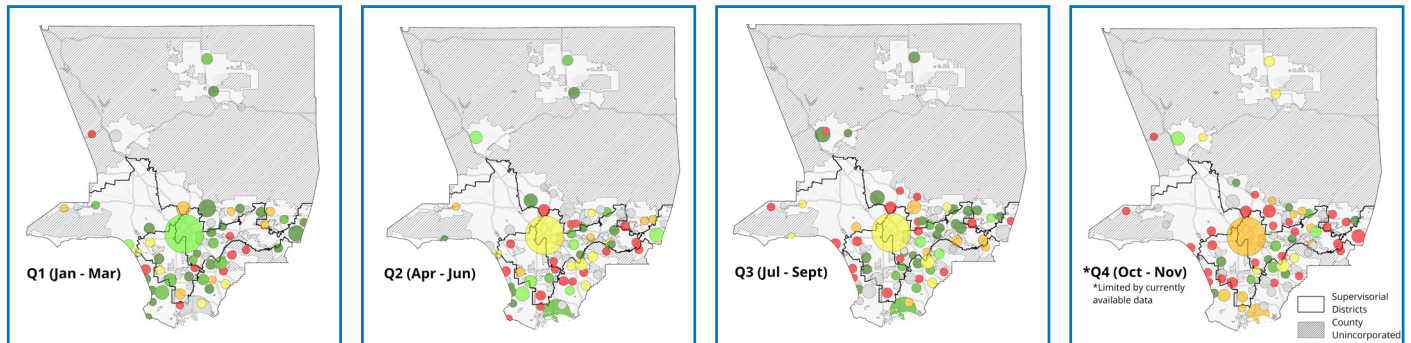
Unemployment rate in Los Angeles County jumped from 4.3% in February to the high of 21.1% in May. As the economy started to reopen, unemployment dropped to around 15.1% in September. However there are regions such as Lancaster, Palmdale, Irwindale, Inglewood and Compton still face much

higher unemployment rates than other regions. Due to the composition of the local regional industries and economy, the effects of the pandemic on the various regions of Los Angeles will not be felt equally.

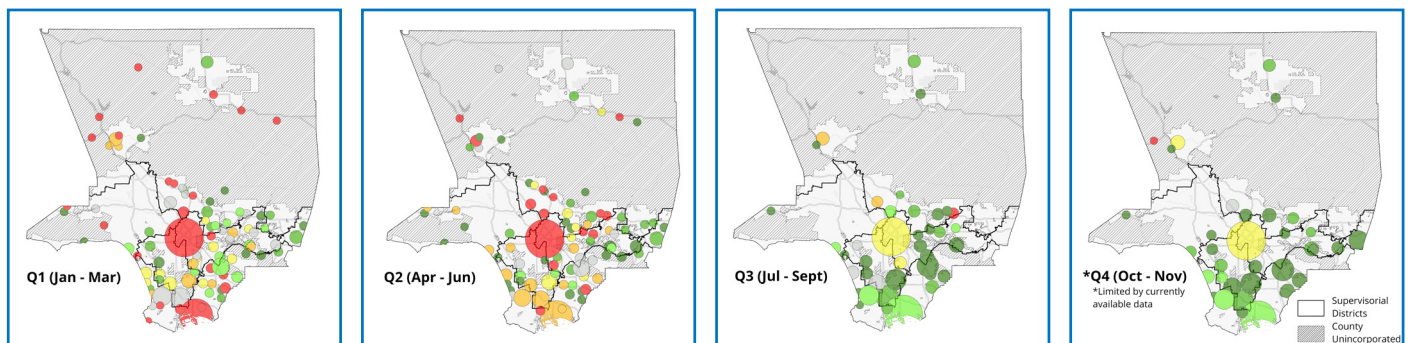


From the changes in job postings over the past year, LAEDC has identified Healthcare Services, Transportation & Warehousing and Construction as potential growth industries in Los Angeles County. In the past four quarters,

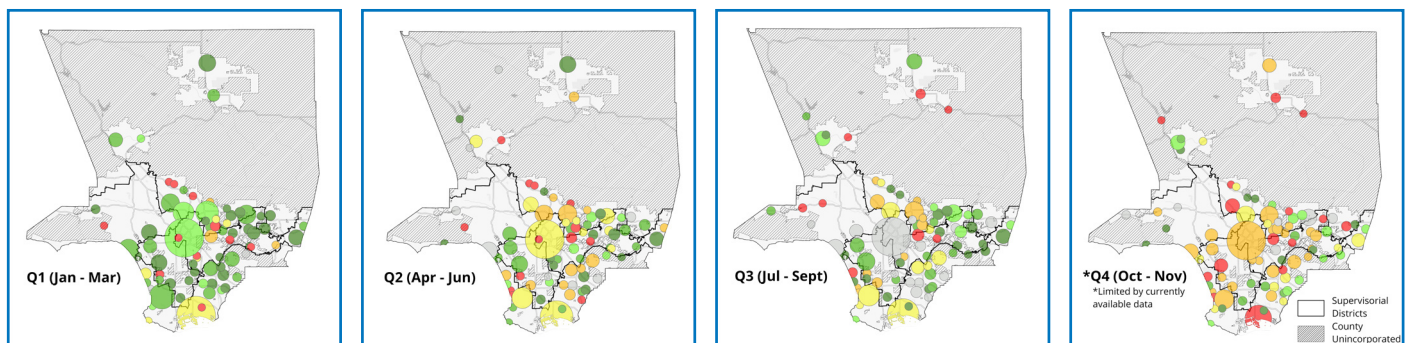
we have seen changes in job opportunities with growth in Transportation & Warehousing in all 5 Districts, stability in Healthcare Services in Districts 1, 3, and 5, and Construction in District 1.



2020 Quarterly Job Postings - Construction



2020 Quarterly Job Postings - Transportation & Warehousing



2020 Quarterly Job Postings - Healthcare



Job postings in Los Angeles County by Supervisorial District (Q4 2020)

| Sup District | Construction | Transportation & Warehousing | Healthcare | Total  |
|--------------|--------------|------------------------------|------------|--------|
| District 1   | 2,734        | 6,390                        | 13,027     | 22,151 |
| District 2   | 217          | 1,806                        | 1,807      | 3,830  |
| District 3   | 66           | 400                          | 1,266      | 1,732  |
| District 4   | 702          | 4,357                        | 5,046      | 10,105 |
| District 5   | 572          | 2,523                        | 5,995      | 9,090  |

### Supervisorial District 1

In SD1, there are concentrations of business industries in the Health and Personal Care, Non-Essential Retail, Healthcare and Social Assistance, and Construction sectors. From the trend analysis, foot traffic in the Infrastructure, Transportation and Warehousing, and Healthcare Services sectors

have demonstrated potential growth. Looking into the future, there could be more job opportunities in the target growth sectors as identified in this report: Healthcare Services, Transportation and Warehousing, Construction.

**Business Concentration:** Health and Personal Care, Non-Essential Retail, Healthcare and Social Assistance, Construction

**Business Growth:** Infrastructure, Transportation and Warehousing, Healthcare Services

**Job Opportunities:**

Healthcare Services - 13,027 jobs  
Transportation and Warehousing - 6,390 jobs  
Construction - 2,734 jobs

### Supervisorial District 2

In SD2, there are concentrations of business industries in the Movie/Amusement, Arts/Entertainment/Recreation, and Construction sectors. From the trend analysis, foot traffic in the Infrastructure, and Trade and Logistics

sectors have demonstrated potential growth. Looking into the future, there could be more job opportunities in the target growth sectors as identified in this report: Transportation and Warehousing, and Healthcare Services.

**Business Concentration:** Movie/Amusement, Arts/Entertainment/Recreation, Construction

**Business Growth:** Infrastructure, Trade and Logistics

**Job Opportunities:**

Healthcare Services - 1,807 jobs  
Transportation and Warehousing - 1,806 jobs  
Construction - 217 jobs

### Supervisorial District 3

In SD3, there are concentrations of business industries in the Non-Essential Retail, Movie/Amusement, Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, and Accommodation Services sectors. From the trend analysis, foot traffic in the Infrastructure, Healthcare

Services, Personal Care Services, and Arts and Recreation sectors have demonstrated potential growth. Looking into the future, there could be more job opportunities in the target growth sectors as identified in this report: Transportation and Warehousing, Healthcare Services.

**Business Concentration:** Non-Essential Retail, Movie/Amusement, Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, Accommodation Services

**Business Growth:** Infrastructure, Healthcare Services, Personal Care Services, Arts and Recreation

**Job Opportunities:**

Healthcare Services - 1,266 jobs  
Transportation and Warehousing - 400 jobs  
Construction - 66 jobs

### Supervisory District 4

In SD4, there are concentrations of business industries in the Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, and Accommodation Services sectors. From the trend analysis, foot traffic in the following sectors have demonstrated potential growth in the Trade and Logistics, Infrastructure, Transportation and Warehousing, Health-

care Services, Construction, and Personal Care Services sectors. Looking into the future, there could be more job opportunities in the target growth sectors as identified in this report: Healthcare Services, Transportation and Warehousing

**Business Concentration:** Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, Accommodation Services

**Business Growth:** Trade and Logistics, Infrastructure, Transportation and Warehousing, Healthcare Services, Construction, Personal Care Services

**Job Opportunities:**

Healthcare Services - 5,046 jobs  
Transportation and Warehousing - 4,357 jobs  
Construction - 702 jobs

### Supervisory District 5

In SD4, there are concentrations of business industries in the Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, and Accommodation Services sectors. From the trend analysis, foot traffic in the Trade and Logistics, Infrastructure, Transportation and Warehousing, Healthcare Services, Construction, Personal Care Services, Arts and

Recreation sectors have demonstrated potential growth. Looking into the future, there could be more job opportunities in the target growth sectors as identified in this report: Healthcare Services, Transportation and Warehousing, Construction

**Business Concentration:** Healthcare and Social Assistance, Construction, Arts/Entertainment/Recreation, Accommodation Services

**Business Growth:** Trade and Logistics, Infrastructure, Transportation and Warehousing, Healthcare Services, Construction, Personal Care Services, Arts and Recreation

**Job Opportunities:**

Healthcare Services - 5,995 jobs  
Transportation and Warehousing - 2,523 jobs  
Construction - 572 jobs



# THANK YOU



**LOS ANGELES COUNTY**  
ECONOMIC DEVELOPMENT CORPORATION