EXECUTIVE SUMMARY

The Workforce Investment Board (WIB), along with the City Council and Mayor, develops policy and provides the oversight for workforce development programs in the City of Los Angeles. The Year 15 WIB Annual Plan covers the service strategies, activities, and budget for the City’s Workforce Development System (WDS) for the Program Year 2014-15. The Annual Plan is developed under the framework outlined in the Workforce Investment Board - Local Elected Official (WIB-LEO) agreement. The plan outlines how the city will deliver services and meet the objectives of the WDS. It describes how the City will achieve its priorities and meet workforce development needs in Los Angeles through the Economic and Workforce Development Department (EWDD).

EWDD administers workforce development programs that are funded by federal, state, and local governmental agencies as well as by private entities through its Workforce Development Division (WDD). The EWDD manages a network of service providers comprised of seventeen WorkSource Centers (WSC) and thirteen YouthSource centers (YSC). These centers, located in strategic areas throughout the City, provide diverse workforce development services for job seekers, businesses and youth. This happens in conjunction with a network of partners, including educational institutions, chambers of commerce, economic development agencies, among others. Over the past five years, during the Great Recession, these centers have served over 821,000 (non-registered) customers, many of whom were assessed for eligibility under WIA, as well as an assessment of their needs and skill levels to determine which services may improve their employment outcomes. Many also used the resource rooms to access online information about job requirements and available jobs opportunities, job clubs, and job fairs. In addition, over this same time frame, these centers also served over 47,000 registered adult, dislocated worker, and youth customers, providing intensive case-management services, including training and job placement services.

Impacts of these services over five years include:

- Over 23,000 adults and dislocated workers placed into employment
- Approximately $390 million in wages earned by those workers placed
- 10,750 youth placed into higher education and/or employment
- Over 5,000 youth obtained a high school diploma, degree, or industry recognized certificate
- Over 4,700 out-of-school youth achieved gains in reading and/or math skills

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1 The WIB/LEO is a formal Memorandum of Agreement between the WIB and the elected officials of the City of Los Angeles
2 The City of Los Angeles designates its One-Stop Career Centers locally as “WorkSource Centers, a proud partner of America’s Job Centers of California.” The WIB will take the lead of working with the EWDD, City Council, and Mayor’s Office to determine the exact branding of the WorkSource Centers.
EWDD also administers a number of economic development activities through its Economic Development Division (EDD). The EDD offers direct financing, usually below market interest rates, for larger construction and rehab projects that benefit low income communities or that provide good jobs for local residents. It also administers a system of BusinessSource centers. These centers provide a wide range of services to businesses and individuals including access to business incentives, tax credits, business courses, and consultation.

The Economic and Workforce Development Divisions coordinate their services. Many of EDD financing programs carry a job creation component. Job creation efforts are linked to the WDS to provide training, recruitment and placement opportunities for these new job opportunities. In turn, business and entrepreneurial customers of the WDS are referred to BusinessSource Center to obtain additional services.

**MAYOR’S GOALS**

On taking office in July 2013, Mayor Eric Garcetti identified nine goals as part of his “back-to-basics” strategy for the City. Services provided through the WDS primarily address six of these goals:

1. Promote good jobs for Angelenos all across Los Angeles
2. Create a more sustainable and livable city
3. Provide outstanding customer service to our residents and businesses
4. Deploy innovation and technology to modernize city government
5. Restore pride and excellence in public service
6. Partner with citizens and civic groups to build a greater city.

To support the Mayor’s goals, the strategies contained in the plan include:

- Rolling out a redesigned Workforce Development System
- Enhancing programs that focus on disconnected youth (those out-of-school and out-of-work) to enable them to return to school and to gain skills to enter the workforce
- Increasing summer youth employment to benefit approximately 10,000 youth in the City
STATE GOALS

The California Workforce Investment Board has established four main goals. These goals are designed to support the following:

- Business and Industry—meeting the workforce needs of high demand sectors of the state and regional economies
- Adults—increasing the number of Californians, including under-represented demographic groups, who complete at least one year of postsecondary education with a marketable credential or degree, with a special emphasis on veterans, disabled individuals, disconnected youth, and other at-risk populations
- Youth—increasing the number of high school students, including those from under-represented demographic groups, who graduate prepared for postsecondary education and/or a career.
- System Alignment—supporting system alignment, service integration, and continuous improvement using data to support evidence-based policymaking

WORKFORCE INVESTMENT BOARD GOALS

The WIB is responsible for policy making and implementation of the workforce development system administered through the Economic and Workforce Development Department. WIB goals include:

- The creation of a sustainable balance between the employment needs of job seekers and the business needs of employers for skilled workers;
- Supporting economic expansion;
- Developing the talent of the workforce; and,
- Ensuring a self-sufficient, diverse workforce in Los Angeles.

The Annual Plan supports the goals of the Mayor, State, and WIB in the design of programs, the establishment of policies, and the allocation of funds.

CURRENT ECONOMIC IMPACTS ON EMPLOYMENT

The Region and Local Economy

In the development of any plan to provide workforce development services, it is important to understand the economic landscape. In 2013, California’s economy continued its slow recovery from the Great Recession. Regional experts expect the State's job growth to continue at a moderate pace in 2014, with employment growing at
a rate of 1.8 percent. Los Angeles County’s economic progress closely follows that of the State with a 1.6 percent increase in job growth in 2013.

Employment and Educational Outlook for the City of Los Angeles

Although declining, the unemployment rate in the City of Los Angeles (about 11 percent) still remained higher in 2013 than the state and county rates. The city faces a skills gap challenge, where the job market has an increasing need for workers with specific skills and education, and where a significant portion of the workforce lacks technical skills or even a high school diploma. To address continuing high unemployment levels and the gap between the city’s jobseekers educational and skill levels and what is needed for local high-demand occupations, the City will launch its newly redesigned Workforce Development System for Adults and Dislocated Workers in Program Year 2014-2015. To increase the number of city residents who complete high school, in PY 2012-13, the City also realigned its Youth One-Stop centers to implement a high school dropout recovery system.

Available Resources

The City will receive $38.8 million in WIA Adult, Dislocated Worker, and Youth formula funds from the State for Program Year 2014-2015 as detailed under Tab 4 Budget. As the allocation for Rapid Response has not been announced, the City is assuming level funding of $2.3 million, based on the amount received in Program Year 2013-2014. In addition to these formula allocations, the City will receive additional non-WIA funds and competitive awards amounting to $14.7 million. The City anticipates a carryover amount of $5.3 million composed of both WIA formula and other workforce related grants. Total allocation for WDS activities is projected at $61.1 million. While this amount reflects a net decrease of $6.1 million when compared to Program Year 2013-2014, the bulk of this decrease stems from completed programs that are not continuing in the PY 2014-15 and from the reduction in WIA formula funds.