

MOTION BY SUPERVISORS KATHRYN BARGER
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APRIL 28, 2020

LOS ANGELES COUNTY ROADMAP TO ECONOMIC RECOVERY

On March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency in California as a result of the novel coronavirus (COVID-19) global pandemic. On the same day, the Chair of the Los Angeles County Board of Supervisors ("Board") proclaimed the existence of a local emergency in Los Angeles County, and the County Health Officer declared a local health emergency as a result of the COVID-19 pandemic. That day, the Board ratified both the local proclamation of an emergency and the declaration of a local health emergency, activating the County Emergency Operations Center (CEOC) under the management and direction of the Chief Executive Officer (CEO). Further, on March 16, 2020, the County Health Officer issued a public health order that mandated closure of a variety of businesses. On March 19, 2020, the County Health Officer issued the Safer at Home Order to slow the spread of COVID-19.

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In an effort to protect the public health of all Los Angeles County residents, many of California's thriving industries have been nearly shuttered, including hospitality and tourism, retail and food service, manufacturing, and early childhood education and care.

According to the State of California Employment Development Department (EDD), unemployment increased to 5.3 percent in March 2020 from 3.9 percent in February 2020. More than 3.1 million Californians filed for unemployment benefits over the last month, surpassing the total claims in all of 2008 at the start of the Great Recession. Leisure and hospitality have been the most heavily impacted industries in Los Angeles County, resulting in the largest month over month drop in employment since 1990.

Understandably, businesses are suffering tremendously as they navigate the uncertainty of when they may reopen, adjust to telecommuting and online sales and delivery, practice physical distancing, and reduce their workforce as a result of continued disruption.

Los Angeles County has taken swift action to help workers and businesses, collaborating between multiple departments to launch the first of its kind Disaster Help Center where workers, businesses, non-profits, landlords, and tenants can receive one-on-one counseling and access to essential services. Moreover, Los Angeles County launched an Employer Assistance Grant Fund and a Small Business Loan Fund to offer short-term assistance to bolster the local economy.

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Through these efforts, the County has identified more than 9,000 small businesses in need of support. Further, the creation of the America's Job Center of California Virtual Resource Room connects jobseekers to resources and services. The County established a COVID-19 Relief Fund for small businesses, non-profits, and micro-entrepreneurs, a \$28 million public-private partnership, which is expected to deploy loans and grants in the coming days.

Although the Safer at Home order remains in place, Los Angeles County must put forward a comprehensive plan to revive and re-open our economy and return to full employment as we experienced before COVID-19. This will only be possible through public-private partnerships with industries and governments working together. It is important for Los Angeles County to work directly with our business community to stimulate the local economy by evaluating any regulatory and administrative relief for businesses, workers, and local industry. The Chair of the Board, in accordance with the authority granted under Section 2.68.080 of the Los Angeles County Code, will convene an Economic Resiliency Task Force, comprised of the Chair Pro Tem of the Board, representatives of each relevant department, cities, and leaders from industry, labor, and the business community including chambers of commerce and business organizations, to develop actionable recommendations for the County to leverage public-private partnerships to improve the economy, create jobs, and return to full employment.

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This task force will work to:

- a. Develop a plan and recommendations for short-term, medium-term, and long-term economic recovery in Los Angeles County, including industry partnerships and policy considerations to spur economic growth at the local, state, and federal levels.
- b. Identify financial incentives, if any, the County can provide to existing or new businesses to spur economic recovery as the Safer at Home Order is relaxed.
- c. Develop a systematic plan for the most COVID-19 impacted industries, and in consultation with labor, provide a systematic plan for rapid reemployment.
- d. Formulate policy considerations to spur small business growth and create jobs, including but not limited to: tax credits, public infrastructure investment, and unsecured/business personal property tax rebate, deferral, and/or abatement.
- e. Identify alternatives to existing strategies to engage with the business community regularly, using technology and/or surveys for business owners and business organizations.

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- f. Find options for deferrals, waivers, or reduced permitting and licensing fees or flexible payment structures for qualifying businesses.
- g. Strategize on community benefits for the most impacted neighborhoods and industries.

The CEO, in accordance with the authority granted under Section 2.68.270.K of the Los Angeles County Code, has designated the Director of the Office of Emergency Management (OEM) to serve as the "Director of the CEOC" during the COVID-19 local emergency. In accordance with Section 2.68.270.E. of the Los Angeles County Code, during the COVID-19 local emergency, the Director of the OEM/the Director of the CEOC shall coordinate the initial disaster recovery services to the public, including the administration of local, state, and federal financial aid programs, which may include one-stop disaster assistance centers, applicants' briefing for state and federal grant programs, and County services to expedite recovery.

WE, THEREFORE MOVE THAT the Board of Supervisors direct the Director of the CEOC to work with all relevant departments, including but not limited to the Departments of Workforce Development, Aging and Community Services (WDACS), Consumer and Business Affairs (DCBA), Regional Planning (DRP), Public Works (DPW), Public Social Services (DPSS), Los Angeles County Development Authority (LACDA), the Treasurer Tax Collector (TTC), the Assessor, and the Los Angeles County Office of Education (LACOE) to take the following economic recovery

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and resiliency actions, in consultation with the Departments of Public Health and Health Services, to ensure the ongoing health and well-being of Los Angeles County communities:

1. Consider using County assets to promote neighborhood revitalization, affordable housing, and economic opportunity, and to incentivize adaptive reuse development along financially impacted corridors in partnership with DCBA, LACDA, and DRP. This analysis shall consider and identify all tax increment financing (TIF) programs, including Enhanced Infrastructure Financing Districts (EIFD) and other value capture strategies, which may be advantageous in generating additional revenue. The analysis should also include the identification of Community Development Block Grant (CDBG) funding and the recommendation for use to spur the greatest economic growth. A written report should be returned in 90 days with a list of identified assets and possible uses.
2. Consider the creation of a permanent 501(c)(3) *County Fund for Los Angeles* to raise private capital to develop solutions for economic insecurity in consultation with the Center for Strategic Partnerships, private philanthropic and corporate partners, WDACS, DCBA, and LACDA.

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The CEO and the Center for Strategic Partnerships shall provide a report to the Board in 14 days on the development and oversight of a *Fund* that will:

- a. Prioritize micro-grant opportunities to help underserved communities as part of the County's economic recovery and response, and support and expand upon the policy priorities set forth by the Board of Supervisors.
- b. Be managed by a third-party fiscal sponsor to provide flexible spending that supports economic development and focuses on the most impacted workers and businesses.
- c. Issue Worker Resiliency Grants to jobseekers who work with the public workforce system to receive training, employment readiness, and additional supportive services as they seek employment.
- d. Issue Grants to small businesses for reopening, including assistance with financial oversight with the Small Business Administration and other programs.
- e. Complements efforts already underway Countywide, including but not limited to small business relief funds established by WDACS and LACDA, the public-private County COVID-19 Relief Fund, the Mayor's Fund for Los Angeles, philanthropic efforts sponsored by the California Community Foundation and United Way of Greater LA, and others.

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3. Support legislation and pursue funding opportunities at both the state and federal levels to support efforts that spur economic growth and promote the recovery of the Los Angeles County economy in the wake of COVID-19, including a list of shovel-ready projects that can leverage funding from the anticipated Federal Infrastructure Stimulus Bill.
4. Evaluate the impact of the Economic Resiliency Task Force's implemented recommendations, and all other programs and policies implemented as a result of this motion. Data collected shall include the number of jobs created, workers hired, demographics, median wage earned, change to the unemployment rate over time, and increase in business revenue and industry growth throughout Los Angeles County. The initial evaluation should be completed within 90 days, and subsequent evaluations should be returned quarterly thereafter.

WE, FURTHER MOVE THAT the Board of Supervisors direct the Executive Officer of the Board of Supervisors to work with the Quality and Productivity Commission, in consultation with the Small Business Commission and Economy and Efficiency Commission, to provide quarterly reports on the following actions:

- a. Create a working group to encourage innovative ideas from County employees, businesses, and labor partners that could streamline the

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County's contracting process and encourage strategies to engage and assist businesses; and

- b. Establish a website and email contact to accept and promote innovative and thoughtful ideas from department staff, businesses, and the public to streamline contracting, assist businesses, and identify potential cost-savings actions that could be taken by each department.

WE, FURTHER MOVE THAT the Board of Supervisors direct the Director of the CEOC to work with WDACS to develop and implement a *Los Angeles County Works* Initiative to support a return to full employment and provide a report back to the Board in writing within 90 days. *Los Angeles County Works* shall focus on inclusive economic development and employment and will prioritize rapid reemployment of the Los Angeles County workforce. The initiative shall include:

- a. A partnership between education, labor, industry, the public workforce system, community-based organizations, nonprofit organizations, and business organizations like chambers of commerce to identify worker retraining, apprenticeship opportunities, and job placement.
- b. A partnership between the public workforce system and employers as they start to rehire, including existing and new options to upskill existing staff; a comprehensive education and outreach campaign to offer on-the-job training and subsidized wages to employers as they rehire, transitional

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subsidized employment, use of the Employment Training Panel, and Youth Employment Programs.

- c. The development of a pipeline of skilled, work-ready individuals for priority reemployment in the seven targeted high-growth industry clusters the Board has prioritized, including aerospace, leisure and hospitality, manufacturing, health services, construction, film and digital media sectors, trade and logistics, and bioscience.
- d. A set of recommendations to prioritize hiring for those deemed work-ready by the County's network of America's Job Centers of California (AJCCs).
- e. Options to restructure the AJCC system along with streamlining economic and development programs at the County.

WE, FURTHER MOVE THAT the Board of Supervisors direct the Director of the CEOC to work with LACOE, in coordination with the state and federal Department of Education, along with the 81 school districts in Los Angeles County, First 5 LA, and the Office for the Advancement of Early Care and Education, to report back in 30 days with plans to create safe environments for children, including recommendations for physical distancing measures as well as recommendations for summer camps, day camps, summer enrichment activities, tutoring, recreational programs, and other child-centric programs, and distance learning best practices to enable parents to return to work.

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These plans should also include providing safe and secure options for summer remote learning opportunities via Extended School Year (ESY) and credit recovery programs, as well as recommendations for physical adjustments for physical distancing measures for the fall 2020 opening of the new academic year, including creating alternative school schedules that work best for parents and each community. These programs support parents returning to work while supporting the education workforce.

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