



FY 2017 ANNUAL REPORT

Prepared for the Board of Supervisors of Los Angeles County



A MESSAGE FROM LAEDC's CEO

We are pleased to report on LAEDC's activities for the fiscal year ended June 30, 2017 (FY 16-17) and highlight results made possible by the generous support of the County of Los Angeles and our members and partner organizations. During the year, LAEDC delivered many successful programs and initiatives to advance economic opportunity and prosperity for all L.A. County residents.

LAEDC's Business Assistance Program attracted or retained 20,460 jobs for area residents during the fiscal year, bringing to 226,865 the number of jobs directly retained or created in L.A. County since the program began in 1996, as reported by the employers who have utilized our free services. These direct jobs also lead to indirect and induced jobs, so that a tremendous number of L.A. County residents are able to provide for themselves and their families as a result of this award-winning program.

Funding from the County of Los Angeles alongside our members and partners is vital to LAEDC's mission, which was established by the County in 1981 to leverage County investment with that of the private sector to achieve strategic economic objectives for the health and well-being of county residents. In FY 16-17, private funding comprised about 47% of LAEDC's operating budget. This not only helped fund our Business Assistance Program

to strengthen small businesses and enable job creation, but it also made possible important economic research on our region's key employment clusters and labor force characteristics, and supported the World Trade Center Los Angeles, which fosters job creation by attracting foreign investment and promoting exports from local manufacturers.

In addition, the 2016-2020 L.A. County Strategic Plan for Economic Development became fully operationalized with the hiring of a Director and three full-time support positions dedicated to helping implement and track the plan's 7 goals. While the development and operationalization of this plan was funded by LAEDC's ability to raise separate dedicated philanthropic funds for this initiative (now branded as Propel L.A.) the forward-thinking strategies within the plan enable a broad coalition of countywide stakeholders to build on our region's strengths to create a stronger, more sustainable and more inclusive economy for LA County's 10.2 million residents.

We thank the County of Los Angeles and all our members and partners for this long standing and mutually beneficial partnership with LAEDC, which serves as one of the region's most effective tools for addressing poverty, income inequality and social mobility.

Bill Allen, LAEDC CEO

BUSINESS ASSISTANCE PROGRAM

LAEDC's Business Assistance Program (BAP) multi-lingual team provides confidential and no-cost business assistance and advisory services to small, medium and large businesses in over 16 industry sectors as well as to the County itself and the 88 cities, to attract, retain and expand businesses, jobs and investment.

The BAP Team works closely with County, cities and state-wide economic development and workforce development partners. BAP regional managers work one-on-one with companies that want to locate in L.A. County, identifying short and long term needs and provide action plans to help businesses overcome challenges and opportunities.

LAEDC closed FY 16-17 with a historical BAP program total of 226,865 direct jobs created and/or retained in L.A. County. Principal accomplishments for FY 2016-17 alone were:

20,460 JOBS RETAINED, ATTRACTED OR EXPANDED

\$1.78 BILLION IN TOTAL LABOR INCOME

\$761.5 MILLION IN LOCAL TAX REVENUE

\$6.5 BILLION GENERATED IN ECONOMIC ACTIVITY ACROSS L.A. COUNTY



LAEDC's Award-Winning Business Assistance Team

LAEDC's BAP Program has been recognized as being among the best in the world by the leading economic development authorities—California Association for Local Economic Development (CALED): Grand Prize Award for LAEDC's Layoff Aversion Program and two Awards of Merit for our Business Assistance Program; and International Economic Development Council (IEDC): three Gold Awards: LAEDC's Business Assistance Program, Layoff Aversion Program and The Most Business Friendly City in L.A. County Award.

BUSINESS ASSISTANCE TEAM ACCOMPLISHMENTS FY2017

Category	Achieved
Jobs won	8,436
Projects won	181
In-person consultations	978
Project Pipeline	
Jobs Pipeline	
Presentations	31
Outreach to employers	9,597 firms
GO-Biz searches	13
Site searches	42

Type	# of Projects	Jobs
Retention	95	4,997
Expansion	69	3,029
Relocation		
Attraction	17	410
TOTAL	181	8,436

TOTAL ECONOMIC AND FISCAL IMPACT OF JOBS SAVED FY2017

Total Employment	20,460
Direct jobs	8,436
Indirect and induced jobs	12,024
Total Labor Income (\$ millions)	\$ 1,780.6
Direct labor income	1,048.1
Indirect and induced labor income	732.5
Total Output (\$ millions)	\$ 6,531.8
Direct output	4,442.1
Indirect and induced output	2,089.7
Total Fiscal Impact (\$ millions)	\$ 761.5
State and local taxes	347.9
Federal taxes	413.6

SOURCE: Estimates by LAEDC

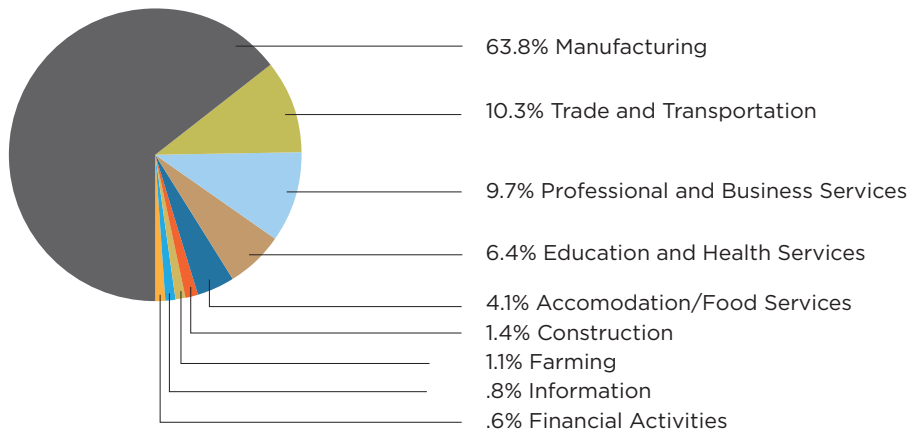
AGGREGATED OCCUPATIONAL DISTRIBUTION OF JOBS SAVED

SOC	Occupational Description	Jobs Saved
11-0000	Management occupations	441
13-0000	Business and financial operations	290
15-0000	Computer and mathematical science	189
17-0000	Architecture and engineering	566
19-0000	Life, physical and social science	68
21-0000	Community and social services	8
23-0000	Legal occupations	14
25-0000	Education, training and library	19
27-0000	Arts, design, entertainment, sports and media	70
29-0000	Healthcare practitioners and technical	230
31-0000	Healthcare support occupations	114
33-0000	Protective service occupations	66
35-0000	Food preparation and serving related	308
37-0000	Building and grounds cleaning and maintenance	67
39-0000	Personal care and service	50
41-0000	Sales and related occupations	601
43-0000	Office and administrative support	964
45-0000	Farming, fishing, and forestry	82
47-0000	Construction and extraction	204
49-0000	Installation, maintenance and repair	404
51-0000	Production occupations	2,909
53-0000	Transportation and material moving	773
Total of All Occupations		8,436

DIRECT JOBS SAVED BY INDUSTRY SUBSECTOR FY2017

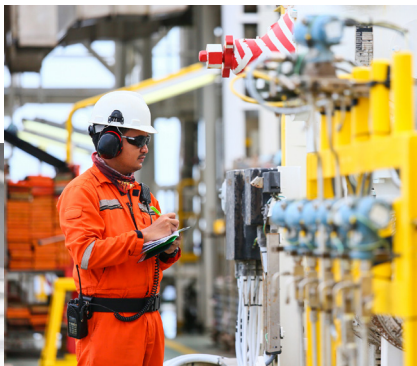
NAICS	Industry Subsector	Jobs Saved
111	Crop Production	96
236	Construction of Buildings	27
238	Specialty Trade Contractors	91
311	Food Manufacturing	652
312	Beverage and Tobacco Product Mfg	504
313	Textile Mills	10
315	Apparel Manufacturing	182
316	Leather and Allied Product Mfg	24
321	Wood Product Manufacturing	115
322	Paper Manufacturing	22
323	Printing and Related Support Activities	71
325	Chemical Manufacturing	191
326	Plastics and Rubber Products Mfg	570
327	Nonmetallic Mineral Product Mfg	51
332	Fabricated Metal Product Mfg	589
333	Machinery Manufacturing	173
334	Computer and Electronic Product Mfg	710
335	Electrical Equipment, Appliance, Component Mfg	8
336	Transportation Equipment Mfg	1,432
337	Furniture and Related Product Mfg	12
423	Merchant Wholesalers, Durable Goods	147
424	Merchant Wholesalers, Nondurable Goods	167
441	Retail-Motor Vehicles and Parts	23
442	Retail-Furniture and Home Furnishings	7
443	Electronics and Appliance Stores	260
444	Retail-Building Mat'l and Garden Equip	20
445	Retail-Food and Beverage	35
448	Retail-Clothing/ Clothing Accessories	7
453	Miscellaneous Store Retailers	4
483	Transportation-Water	37
484	Transportation-Truck	144
488	Transportation-Support Activities	18
511	Publishing Industries (Except Internet)	21
518	Data Processing, Hosting and Related Svcs	11
519	Other Information Svcs	34
522	Credit Intermediation and Related	5
532	Rental and Leasing Svcs	43
541	Professional, Scientific and Technical Svcs	396
561	Administrative and Support Svcs	367
562	Waste Management and Remediation Svcs	52
611	Educational Services	30
621	Ambulatory Health Care Services	261
623	Nursing and Residential Care Facilities	30
624	Social Assistance	3
721	Accommodations	30
722	Food Services and Drinking Places	261
811	Repair and Maintenance	23
812	Personal and Laundry Services	134
Total All Industries		8,436

DIRECT JOBS SAVED IN LA COUNTY BY INDUSTRY SECTOR FY 2016-17



INDUSTRIES OF JOBS SAVED

With L.A. County's diverse economic base, the jobs saved through these retention efforts occurred across a variety of industries. Almost two-thirds of the jobs saved (5,380) were in manufacturing industries. Health care and social assistance industries accounted for an additional sixteen percent of all jobs saved. The remainder were distributed among several other industry sectors. The distribution of the BAP jobs saved shows the variety of industries impacted by the efforts of the program.



LA COUNTY'S LAYOFF AVERSION CONTRACT WITH LAEDC

In addition to the Social Program Agreement, LAEDC provides Layoff Aversion program services to at-risk companies in the County Workforce Development Board's service delivery area through a contract with L.A. County Community and Senior Services (CSS).

LAEDC's BAP Team provided critical information on no-cost federal, state and local business assistance programs, resources and services to firms throughout L.A. County through a targeted informational outreach campaign with over 9,597 firms through emails, personal phone calls and mailings.



RECOGNIZING LEADERSHIP IN ECONOMIC DEVELOPMENT

The Eddy Awards is the most prestigious awards program to recognize leadership in economic development in business, education and government throughout Los Angeles County. The Eddy Awards, a cocktail reception, dinner, and awards gala, also supports fulfillment of the Los Angeles County Economic Development Corporation's mission to advance opportunity and prosperity for all. The 2016 Eddy Awards drew attention to the extraordinary positive impacts on our regional economy made by AECOM, CSU Long Beach, and Brian Lee, Co-Founder of The Honest Company, and recognized the Cities of Santa Clarita and Pico Rivera as the Most Business Friendly Cities in L.A. County.



1. 2016 Education Honoree, California State University - Long Beach
2. LAEDC recognized the City of Pico Rivera
3. Santa Clarita received the Most Business Friendly City Award
4. 2016 Individual Honoree, Brian Lee, Co-Founder of The Honest Company
5. LAEDC CEO Bill Allen welcomes guests to the 2016 Eddy Awards

INSTITUTE FOR APPLIED ECONOMICS

The LAEDC Institute for Applied Economics specializes in economic and public policy research for public and private entities to foster informed decision-making. Its clients include governments, agencies and departments, workforce investment boards, universities, developers, advocates, industry associations and legislators. This research also guides LAEDC program development.



Throughout the year, LAEDC's Institute for Applied Economics published a variety of widely cited and comprehensive economic reports to assess industry cluster and sector-based research, better inform workforce development, and assist policy initiatives in the context of economic impacts. This fiscal year's reports include:

- People, Industries, Jobs Report - 2017 Edition
- Foreign Direct Investment in SoCal, 2017 Edition
- Trade & Logistics Industry in Southern California
- Oil & Gas in California: The Industry and Its Economic Impact
- The 2017 Otis Report on the Creative Economy
- L.A. County Supervisorial Districts 2017
- LAEDC 2017-2018 Economic Forecast and Industry Outlook
- Economic Profile of the Latino Community in LA County
- Economic Profile of the Asian-American Community in LA County

POWERING KEY INDUSTRY CLUSTERS

Part of the LAEDC's non-profit mission includes supporting industries that fuel jobs of the future. This year, LAEDC further developed its industry cluster growth initiatives, particularly in the fields of Digital Media and Entertainment, Aerospace and Defense, Life Sciences, and Advanced Transportation. Complete with new and individual marketing collateral, LAEDC is working to set stronger foundations for these job-creating clusters that contribute to L.A.'s thriving economy.



A \$40 BILLION ECONOMIC ENGINE

L.A. County is where quality of life meets Life Sciences. Built on the bedrock of a globally respected University system that delivers thousands of bioscience grads each year, our area is positioned for healthy growth in this fast moving industry.



WORLD TRADE CENTER LOS ANGELES



World Trade Center Los Angeles, LAEDC's affiliate, continued its focus on both attracting Foreign Direct Investment (FDI), and helping our local firms increase export and trade opportunities. This focus continues to improve our regional economy and creates well-paying jobs for LA County residents.

During FY 2016-17, LAEDC subsidiary World Trade Center L.A. achieved significant milestones in their work to bring Los Angeles to the global market. They published their *Foreign Direct Investment* (FDI) report to quantify the importance of global connections to jobs in L.A. County and hosted the very successful Select L.A. Investment Summit. They also launched a social media campaign highlighting the economic contributions of Foreign Owned Establishments (FOEs) to our region, and built on their already robust website by adding a new GIS mapping feature that allows users to view an interactive map of all the FOEs in the region.



Other highlights include:

Performed 71 attraction consultations

- Attracted Great Wall Motors' R&D Center to Torrance
- Worked with Wynstan to open three sales offices in LA County
- Helped Tritium launch operations in LA County with 8 employees
- Attracted G-Smatt, which created 6 new jobs, to Downtown Los Angeles, producing approximately \$500,000 in new wages.

Conducted Six FDI attraction mission trips

- Japan Government and Trade Mission
- China Trade Mission with California Governor's Office
- Trade Mission to Cuba to launch direct non-stop flights by Alaska Airlines
- Trade Mission to New Zealand to plan for Guangzhou Tripartite Economic Summit
- SelectUSA Investment Summit
- Trade Mission to Berlin with LA Mayor Eric Garcetti



Steven Cheung, President of WTCLA



LAEDC FY 2017 YEAR IN REVIEW



William Covino, President, Cal St. L.A., and Marianne Haver-Hill, Propel L.A., Executive Director



PROPEL L.A.: STRATEGIC PLAN

In June 2017, LAEDC officially launched Propel L.A., our region's collaborative effort to define priorities that strengthen our economy and foster more widely shared equity and prosperity. The Propel L.A. team is dedicated to the implementation of the new 2016-2020 Countywide Strategic Plan for Economic Development—ensuring the goals are implemented and the successes of our efforts and our partners are reported on and highlighted. [The Plan for Economic Development](#) is centered around 7 Goals, developed by Many Voices, with 1 Purpose. Learn more about our 7 Goals at [Propel.LA](#).

PARTNERSHIPS TO PREPARE OUR WORKFORCE

As the information age, artificial intelligence and automation continue to usher in unprecedented economic, industrial and labor market transformations, the LAEDC and its regional partners are working in collaboration to anticipate and respond to these dramatic changes. In partnership with the Los Angeles Workforce Development Board, the LAEDC introduced the Business Outlook Labor Demand (BOLD) Program to address these “lifeblood” labor supply challenges, and in so doing, to provide greater economic opportunity and regional prosperity for more of L.A.’s communities and residents.

The BOLD team is composed of eight multi-lingual economic and workforce development professionals with a combined total of more than 110 years of related experience. The team’s consistent professional development and involvement in the public, private and non-profit sectors thoroughly demonstrates its capacity to provide in-depth solution-driven approaches to the changes of the rapidly evolving economy.



CATALYZING INNOVATION: INNOVATELA 2016

LAEDC continues to showcase and foster growth of the innovation ecosystem throughout L.A. Spanning three weeks, InnovateLA 2016 saw more than 150 events take place throughout the county, highlighting innovative technologies in cleantech, manufacturing, bioscience, and civic engagement, and the launch of the La Kretz Innovation Campus at the L.A. Cleantech Incubator. Based on a strong 2016, InLA 2017 is poised to be an even more comprehensive celebration of L.A.’s innovation. Learn more at [Innovate.la](#).



LAEDC'S EVENTS IN THE 2017 FISCAL YEAR

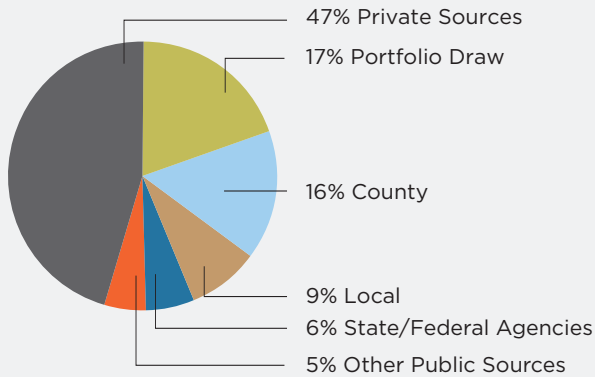
Launched in 2016, LAEDC’s Future Forum and R.E.D. Talks series continued to address prominent issues in today’s regional economy and provided platforms for relevant discussion. On March 8, LAEDC’s third Future Forum focused on the convergence of technology and media, and the changes of content creation and consumption. In its fourth segment on June 28, the Future Forum examined the impact of Artificial Intelligence on our region’s industry and workforce. Moreover as part of the continuing series on Regional Economic Development, LAEDC hosted two more R.E.D. Talks installments this year with speakers Octavio Herrera and Randy Saaf, co-founders of Lucid Sight Inc. for the March 30 event, and Mike Dubin, CEO & Founder of Dollar Shave Club for the first event.



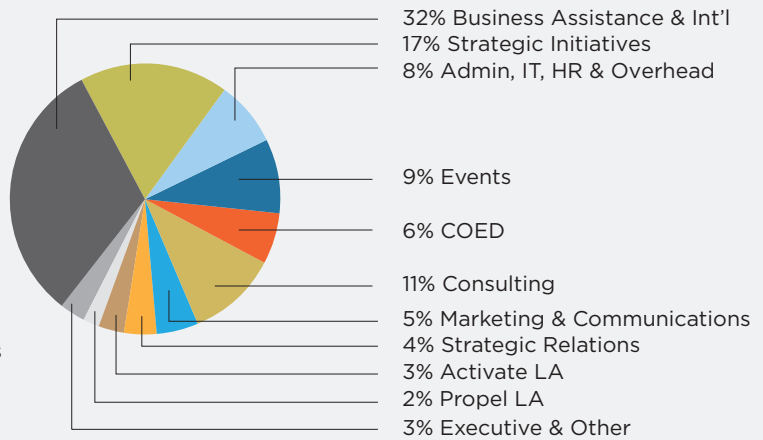
Mike Dubin, CEO & Founder of Dollar Shave Club, speaks at a RED Talk

LAEDC FINANCIAL SUMMARY FY 2016-17

FUNDING



EXPENDITURES



About LAEDC

Los Angeles County Economic Development Corporation (LAEDC) is focused on raising standards of living for residents of L.A. County by increasing economic opportunity and regional prosperity. Through collaborative economic development leadership, the LAEDC promotes a globally competitive, prosperous and growing L.A. County economy to improve the health and wellbeing of its residents and communities and enable those residents to meet their basic human need for a job. Offering objective economic research and analysis, strategic assistance to government and business, and targeted public policy, LAEDC is guided and supported by the expertise and counsel of its business, government and education members and partners. LAEDC was established in 1981 as a private, non-profit, public benefit corporation.

LAEDC.org



LAEDC thanks
the Board of Supervisors
of LA County for their support.



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