



December 7, 2022

Employment Development Department
Branch Support Unit
PO Box 826880, MIC 69
Sacramento, CA 94280-0001

RE: Economic Diversification Pilot Public Comments

Dear Workforce Services Division:

The Los Angeles County Economic Development Corporation (LAEDC) would like to commend the Labor and Workforce Development Agency, the Governor’s Office of Planning and Research, and the Governor’s Office of Business and Economic Development for their leadership and progress in coordinating the implementation of the Community Economic Resilience Fund (CERF). The CERF program represents a historic opportunity to provide the necessary investments to meaningfully address historic inequities and disparities in each of our state’s distinct and dynamic economic regions; create thousands of well-paying jobs with good benefits and career pathways, as well as entrepreneurial opportunities, especially for historically marginalized populations; and better position regional economies to be globally competitive to help attract and support employers and economic development projects that promote higher standards of living and an economy that lifts opportunities for all. The *Los Angeles Region High Road Transition Collaborative* was recently designated as Los Angeles County’s HRTC, and to fulfill its role as Convenor the LAEDC has worked alongside more than 250 partner organizations from across the region to begin shaping a Collaborative that prioritizes equity and inclusion above all. In response to the information shared at the Southern California listening session on November 30th and informed by discussions of the Pilot Project’s proposed guidelines in regional meetings, the LAEDC submits the following comments in hopes that they will help improve the development of the initial phase of Pilot Projects, and ultimately the comprehensive CERF process.

Across the many LA HRTC community convenings that have taken place, the most important principle that has been repeatedly uplifted by stakeholders is the need for the CERF process to prioritize equity, inclusiveness, and transparency. Despite the Economic Diversification Pilot Project framework being well-intentioned, the LAEDC believes that the



current guidelines fall short of meeting this expectation, which could have far-reaching negative consequences and doom the CERF initiative before HRTCs have even had the opportunity to officially launch. Given that Fiscal Agents and Convenors have not yet signed a contract with State representatives, many HRTCs across the State have been in an extended holding pattern as partners await the release of additional guidance. Additionally, due to the delay in the contracting process and the disruptions of schedules because of upcoming Holidays and many offices closing at the end of the year, many HRTCs will not be fully structured by the time that pilot project applications are due in late January 2023. As these projects are a part of the CERF initiative, the LAEDC believes that it is paramount that HRTCs have a say in the projects that are being submitted to the State, especially given that the \$50 million dollars will be allocated from the CERF general implementation fund.

As the true initial implementation phase of the CERF program, it will be important that this program's guidelines do not provide the opportunity for proposed projects to circumvent the HRTC structure to ensure that pilot projects operate in conjunction with the subsequent phases of the initiative. Many Community partners have voiced the need for a strong relational infrastructure between our regional stakeholders to accelerate planning efforts that leverage our network's vast and diverse resources and knowledge base. With trust that has been built over the years by planning and executing collaboratively for advancements in this region, the LA County HRTC hopes to empower its Partners to leverage data and lessons that have been collected along the way as to what has worked well and what has not, and to provide strategies on how to integrate these best practices into our HRTC procedures to involve our most vulnerable communities. HRTC participation will also signify that Pilot Projects have the broad support of the community and that meaningful and thoughtful conversations have taken place to identify and support local resilience initiatives. An updated program guideline that incentivizes collaboration will encourage a variety of perspectives to be considered and also provide a template for how HRTCs can provide support to each region's underserved communities equitably as the CERF initiative continues to develop.

To prioritize inclusiveness and transparency through the Economic Diversification framework, the LAEDC recommends that the timeline be postponed until after HRTCs have had sufficient time to develop structure and processes. Given that HRTCs must finalize a Planning



Phase Plan within the first two months of the Planning Phase, releasing an updated solicitation for proposal after each HRTC has submitted their plan will ensure that each collaborative has a fundamental understanding of how their HRTC will be governed and the outreach strategies that will be utilized. The accelerated timeline of a January 2023 application date has the potential to be exclusionary of community partners who may not even be aware of the CERF process, as well as engaged organizations that may be ready but not have the current capacity to complete an application, and even favor stakeholders that have traditionally held power and unintentionally marginalize the groups that CERF is intended to help.

An extended timeline would also benefit HRTCs by enabling them to leverage the preliminary data that each Collaborative will be collecting for their regional economic studies. As potential projects continue to develop it is important that HRTCs develop a data-driven criterion to identify the communities that should be prioritized and understand how proposed projects can leverage investments to provide targeted and intentional support to our neighbors in most need. Providing an opportunity for preliminary research to be conducted will allow HRTCs to leverage sources of social and economic equity measures to incorporate into our region's economic, industry, and workforce development efforts and ensure greater equity and access for all.

To increase transparency for CERF partners across the state, the LAEDC also recommends that the State explore the development of resources that provide additional depth and clarity on the Economic Diversification Pilot Projects and how this initial phase complements the overall initiative. Since there was no language in the original CERF solicitation for proposal that mentioned this pilot project phase, many Community partners may benefit from supporting materials that accompany the updated guidelines and existing program framework. Additional insight on topics such as how funding will be prioritized, a glossary providing definitions of terms such as geographic equity, and a detailed breakdown on different priorities within the framework would be greatly beneficial as stakeholders would have a repository to reference as they develop an application.

To ensure a truly inclusive, equitable and thoughtful process, the LAEDC respectfully requests that the State incorporate the suggestions listed above in hopes of creating a constructive process that uplifts the voices of both existing stakeholders and new



voices that have not previously had the opportunity to be represented at such planning tables. The LAEDC looks forward with great anticipation and optimism to the innovative regional collaboratives that this program will help develop and support and respectfully submits these public comments in response to the Economic Diversification Pilot Project Draft Guidelines.

Sincerely,

A handwritten signature in black ink that reads "Bill Allen". The signature is written in a cursive, flowing style.

William C. Allen
Chief Executive Officer