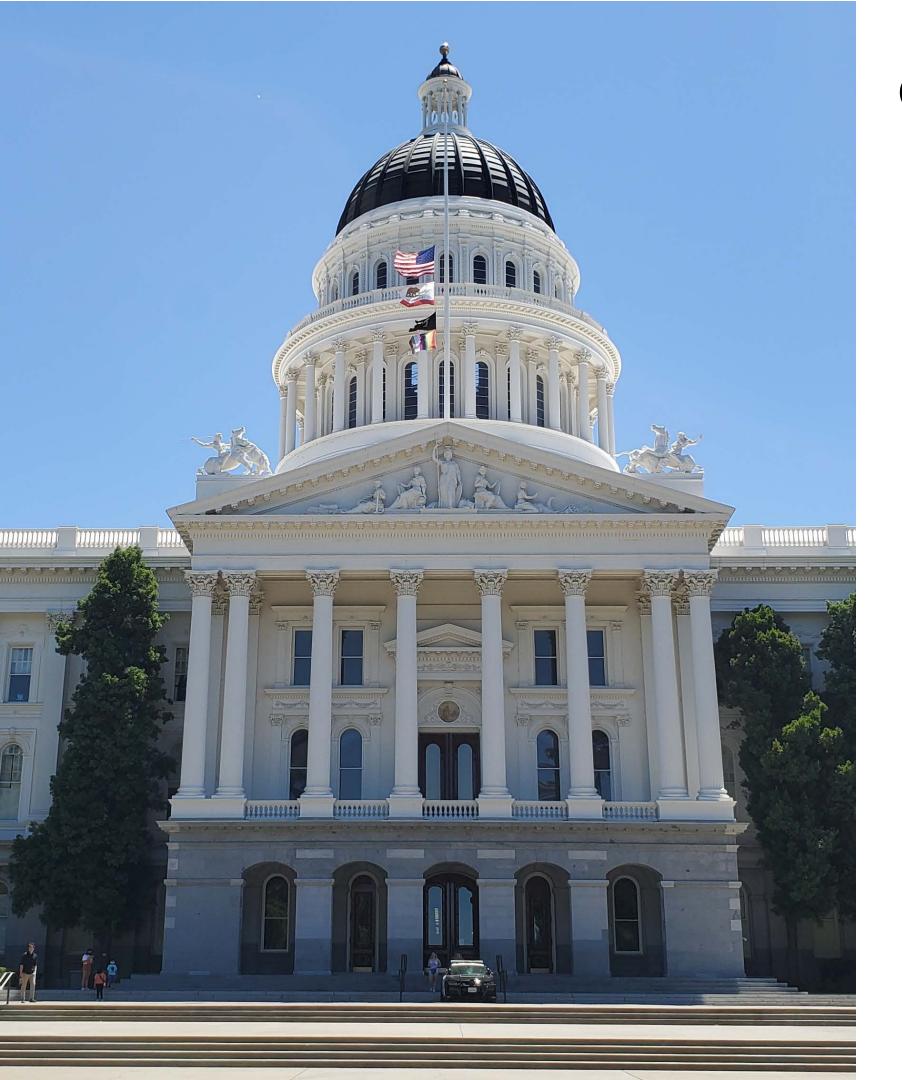


COMMUNITY ECONOMIC RESILIENCE FUND (CERF) PROGRAM

www.laedc.org/CERF

Jessica Ku Kim Vice President of Economic & Workforce Development





CA's Interagency Leadership Team

- Employment Development Department (EDD)
 EDD's Workforce Services Branch shall be responsible for the management and execution of all grants and contracts including the administration of and accountability for both the planning and implementation grants.
- 2. The Governor's Office of Planning and Research (OPR) OPR will manage the design and operations of the program in addition to providing technical assistance to support and guide processes and deliverables for Phase I.
- The Governor's Office of Business and Economic Development (GO-Biz)
 GO-Biz will support with outreach, technical assistance, and capacity building.

Senate Bill (SB) 162 established CERF and \$600 million was appropriated initially from American Rescue Plan Act Coronavirus Fiscal Recovery Fund of 2021. The 2022 budget revised the source of funds to the State General Fund in SB 115.

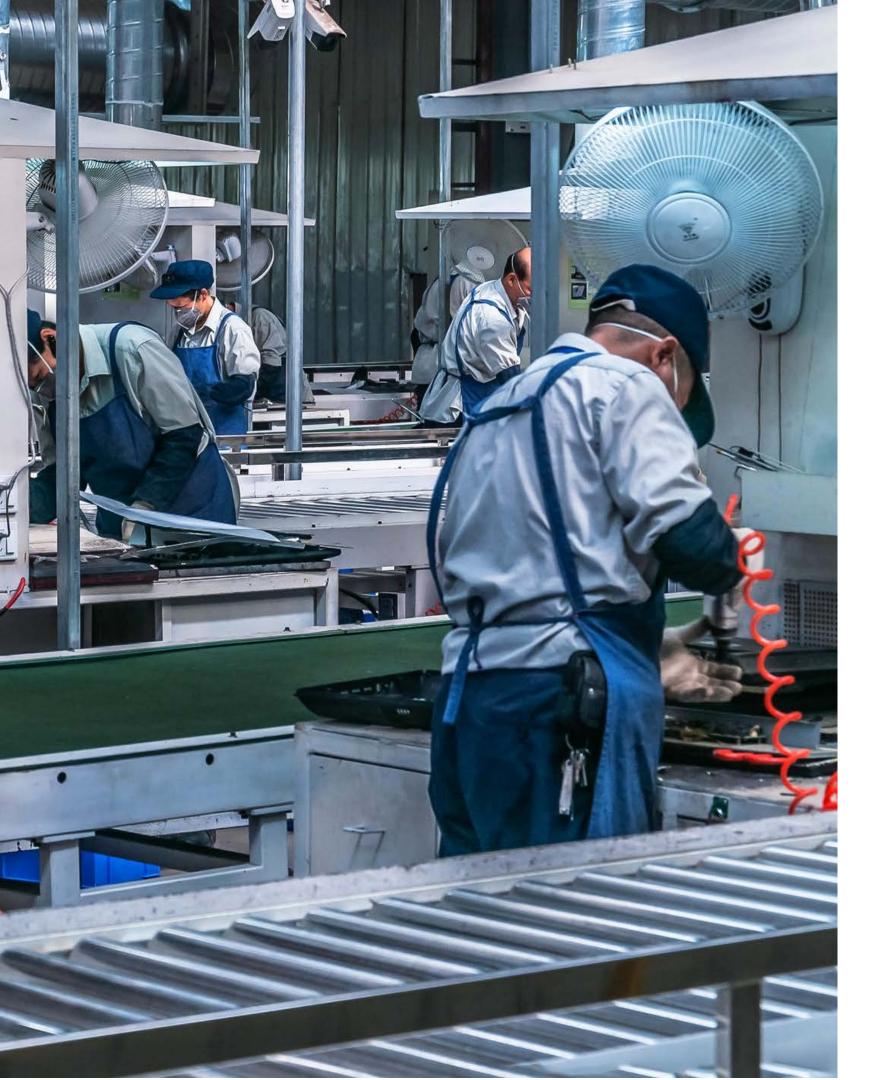


Purpose Statement

The purpose of the CERF funding is to build an equitable and sustainable economy across California's diverse regions and foster long-term economic resilience in the overall transition to a carbon-neutral economy.

CERF will use a high-road approach to economic development to support the creation of quality jobs and equal access to those jobs.

A high-road economy favors businesses that invest in their workforces, pay living wages, and engage in environmentally sustainable business practices.



Program Objectives

- 1. Promote a regions-up approach to economic development, centered in equity and sustainable growth
- 2. Support inclusive planning as a pathway to insuring equitable outcomes
- 3. Align investment and properties to ensure we maximize benefits of these resources, including leveraging other federal and state programs and private capital investments and philanthropic efforts

EQUITY I SUSTAINABILITY I JOB QUALITY I ECONOMIC COMPETITIVENESS I RESILIENCE



Two Phases

CERF has been designed in a twophase grant structure with the intention of creating inclusive planning processes and meaningful ways to engage diverse communities.

Phase 1: Planning phase
Phase 2: Implementation phase



Phase 1: Planning Phase

Each of the designated 13 economic regions will receive \$5 million planning grants to support one High Road Transition Collaborative (HRTC) per region

High Road Transition Collaborative (HRTC)

- Administrative fiscal agent
- Regional convener
- A wide range of diverse partners reflecting the diversity of each region
- HRTCs must include balanced representation from:
 - Labor organizations
 - Employers, businesses, and business associations
 - Grassroots and community-based organizations, community organizers, and community members
 - Government agencies
 - Economic development agencies
 - Philanthropic organizations
 - Education and training providers
 - Workforce entities
 - Environmental justice organizations
 - Worker centers
 - Disinvested communities
 - California Native American Tribes
 - Other regional stakeholders capable of contributing to the success of the project



High Road Transition Collaborative (HRTC) Will:

HRTCs will:

- Implement transparent and inclusive processes to advance long-term prosperity and equity
- Engage in strategic planning for economic resilience and equitable pathways to high road opportunities
- Work across industries, agencies and communities to encourage engagement from all stakeholder groups
- Create inclusive and equitable economic plans
- Build capacity
- Break down silos to maximize the effectiveness of planning and implementation projects
- Generate systemic change to advance economic resilience



Role and Qualifications of the Fiscal Agent

The Fiscal Agent will act as the intermediary in the grant management. The Fiscal Agent is a legal entity representing the Collaborative, and is responsible for submitting the CERF SFP. The Fiscal Agent must have legal authority, history, and capacity to administer federal funds. The Fiscal Agent will represent the Collaborative and make disbursements on behalf of the State.



Role and Qualifications of the Regional Convener

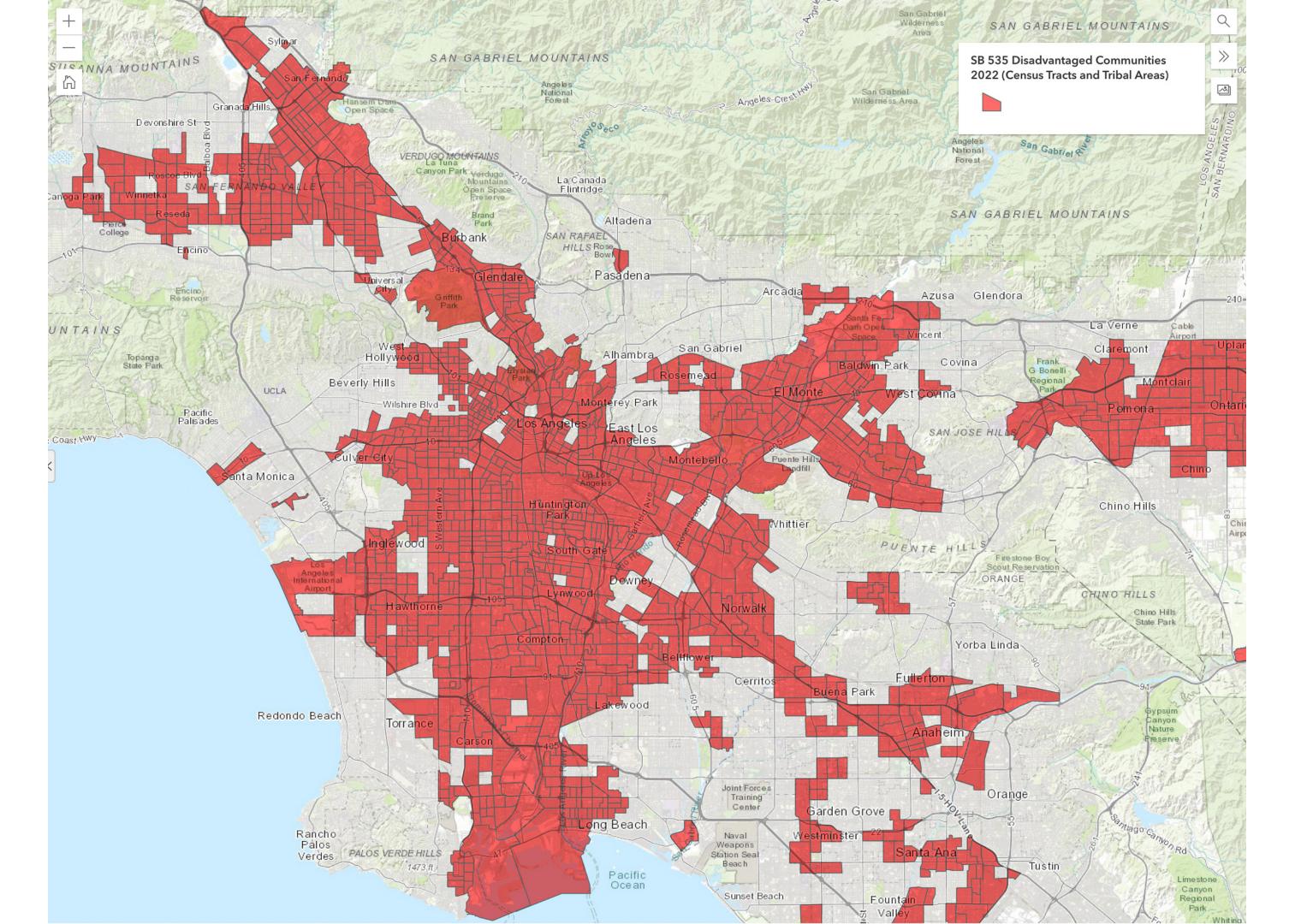
The Regional Convener is the lead organization tasked with organizing an inclusive group of regional stakeholders to form the Collaborative and implement the planning grant in its region. The Convener should possess all or most of the following characteristics:

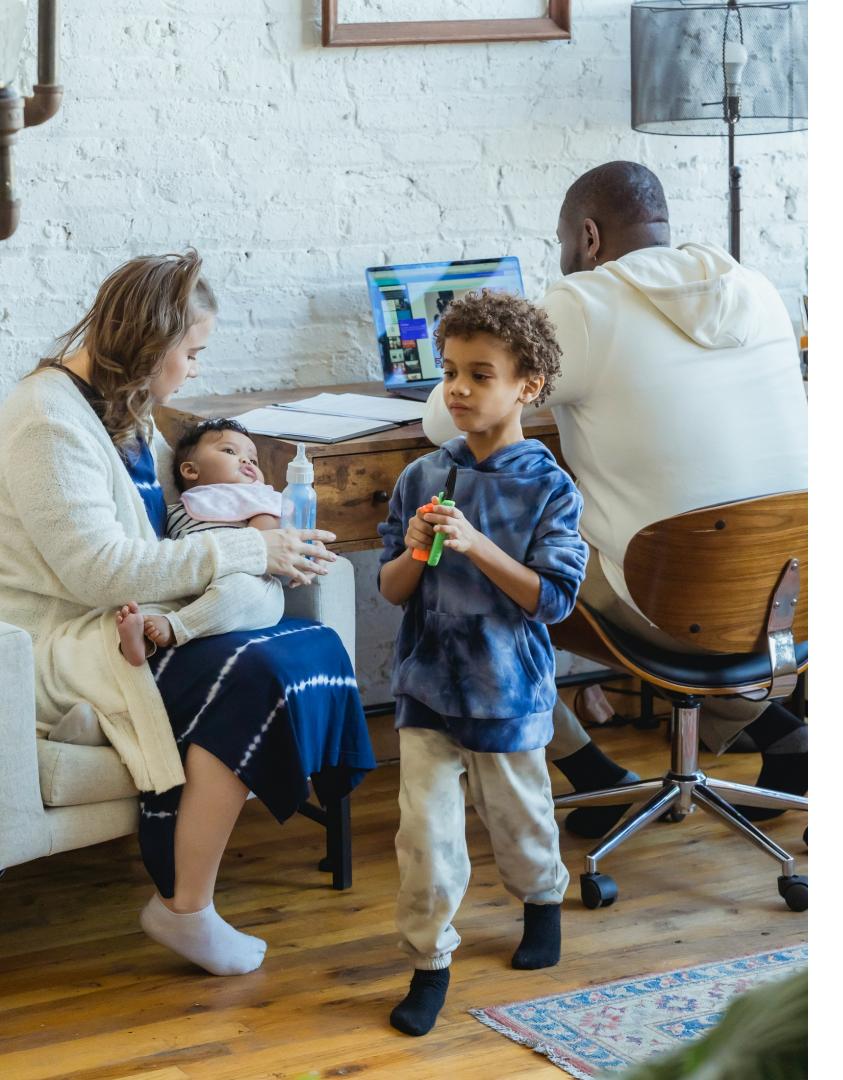
- A proven track record of coordinating across sectors;
- Strong knowledge of the region and its economic needs, challenges, and opportunities across sectors;
- Ability to lead diverse stakeholders to successful action with a proven history of successful organizing in the designated CERF region;
- Proven relationships and credibility with key industry leaders, workforce system stakeholders, and community stakeholders including employers, governmental entities, state or local workforce development boards, educational institutions, labor organizations, worker-serving organizations, community- and faith-based organizations, federally and non-federally recognized tribes, philanthropic organizations, community members, and other regional stakeholders;
- Demonstrated commitment to advance equity outcomes in the region;
 and
- Familiarity with grantmaking and knowledge of philanthropic ecosystems.

Target Region and Populations: Disinvested Communities

- Census tracts identified as 'disadvantaged' by the California Environmental Protection Agency; or
- Census tracts with median household incomes at or below 80 percent of the statewide median income or with the median household incomes at or below the threshold designated as low income by the HCD's list of state income limits
- 'High poverty area' and 'High unemployment area' as designated by GoBiz's CA Competes Tax Credit Program or
- California Native American tribes as defined by the list maintained by the Native American Heritage Commission







Post-Award Program Requirements & Deliverables

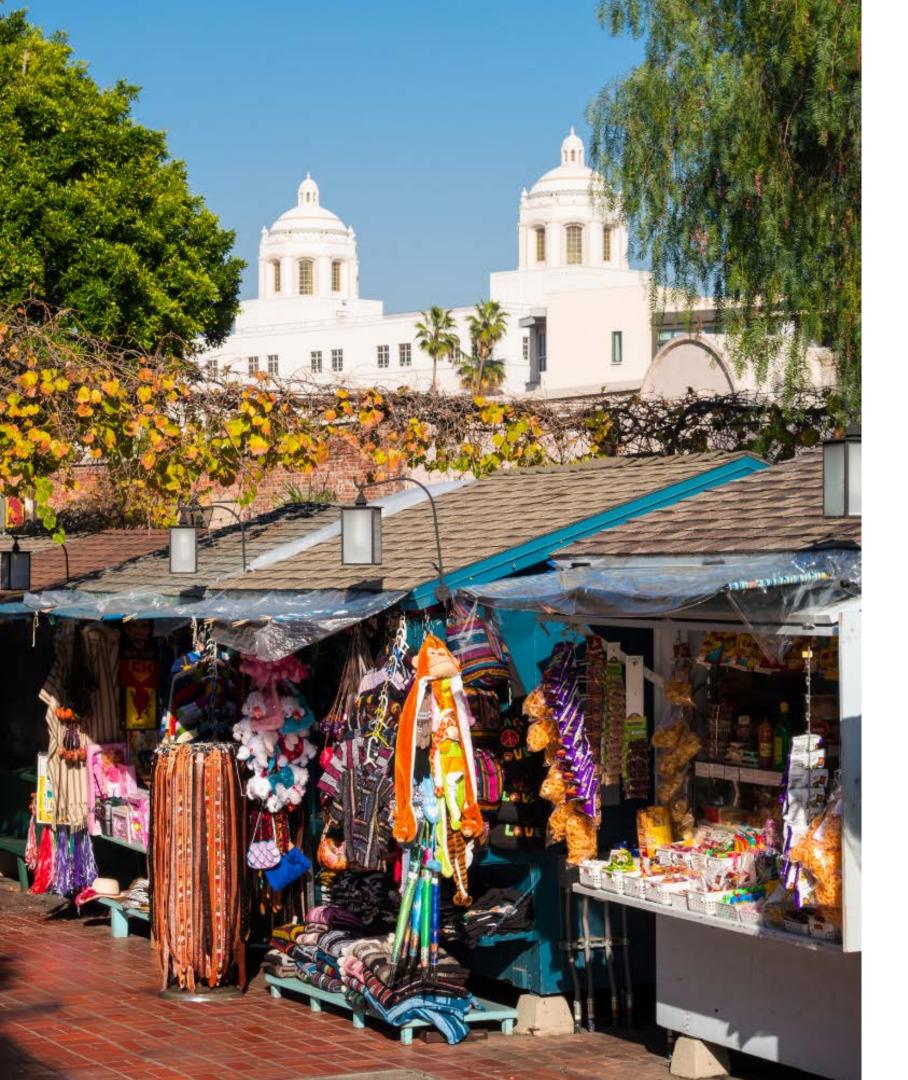
Tables Planning Build

Inclusive Table Building & Stakeholder Mapping

Strength and Diversity of Collaborative Partnerships

Ongoing Regional Processes

Collaborative Governance Structure



Deliverable #1: High Road Transition Collaboratives

Collaboratives will provide information about the formal and informal partnerships and coalitions they have developed and discuss how they did so. The report must include the following:

- 1. Governance Structure: Lay out the governance structure and explain whether and how the structure evolved over time to respond to the region's needs. If the structure has evolved, explain why.
- 2. Outreach and Engagement Plan: Summarize the engagement plan and explain whether it has evolved over time. If the plan has evolved, explain how and why.
- **3. Partnerships:** Discuss the formal and informal partnerships and coalitions that are built throughout the process include number of MOUs, strategies to sustain, etc.
- 4. Inclusivity: Discuss how these partnerships and coalitions advance the goals of responding to the needs of diverse stakeholders and especially disinvested communities

Deliverable #2: Regional Plan

- Collaboratives will develop a regional economic recovery and transition plan that addresses essential elements of a High Road strategy.
- The plan will be co-developed with diverse stakeholders throughout the process, from visioning to analysis, and to strategy and roadmap creation.
- Analyses and plans must account for sub-regional and interregional dynamics.
- The plans must also build on existing regional and/or subregional economic development plans and strategies as appropriate.
- The regional plan has two parts:
 - 1. Snapshot of socio-economic conditions in the region: mapping stakeholders, providing a regional summary, and conducting analyses
 - 2. Establishes a forward-looking economic development and transition roadmap using the information obtained in Part 1. HRTCs will develop a series of investment strategies that will be informed by the forward-looking economic transition roadmap.





Analyses and the Roadmap Must Address the CERF Objectives

- Equity: Analyses must consider the needs and the interest of diverse communities across the region, with an explicit intention to include populations historically excluded from planning and economic development processes, especially disinvested communities.
- Sustainability: Analyses must focus on economic development that is self-sustaining and aims at a carbon-neutral, climate-resilient economy addressing the needs of the region's communities.
- Job quality and access: Analyses must prioritize jobs that provide a family-sustaining wage, health benefits, a pension, worker advancement opportunities, a safety net, and collective worker input. These jobs are stable, with predictable schedules, and safe working conditions.
- Economic competitiveness and resilience: Analyses must focus on strategies to avoid, withstand, and recover from economic shocks so that the CERF Region can compete effectively in the global economy and deliver prosperity to communities in the region.

Regional Plan: Part 1 - Baseline of the Region

The first part considers the region's stakeholders, assesses the factors affecting the region's economic, environmental, and health conditions, and conducts detailed economic and workforce analyses. The intention is to ensure that the plans take a full account of the factors shaping economic development in the region before developing strategies for recovery and transition.

Stakeholder Mapping

- A snapshot of the historically active stakeholders that can influence creating a High Road economy in the CERF Region and/or benefit from it and include:
- List of organizations and entities and discuss their potential role in developing the plan and engaging in the Implementation Phase
- Overview of the state of disinvested communities in the region
- Create and show a network of existing partners and their existing regional and subregional plans, strategies and related reports to demonstrate synergies, potentials and challenges
- Opportunities for collaboration and partnerships

Regional Summary

- Summary background of the demographic and socioeconomic conditions of the region, highlighting areas with low and high economic diversification and resiliency, as well as any industry trends that impact the regional economy. It must include analysis and discussion on the following:
- Economy and Economic Development
- Climate and Environmental Impact
- Public Health Analysis

Labor Market Analysis

- Snapshot of labor and workforce dynamics int eh region, including an overview of major employers, occupations, and wages, the impacts of the recent trends, changes, and forces on the labor market, and projected labor trends in existing key industries. Must also identify the following:
- Industry-specific labor standards that meet highroad priorities
- Barriers that limit access to high-quality jobs
- Relevant training programs, apprenticeships, or high road training partnerships in the region

Industry Cluster Analysis

- Snapshot of current major industries as well as industry trends and projections including:
- In-depth analysis of potential growth clusters based on the region's comparative advantages, market trends, workforce, infrastructure assets, policy trends, aligned state/federal investments, supply chain, and innovation ecosystem
- Identify major sources of GHG emissions, air and water pollution, and toxic or hazardous waste from existing or proposed clusters
- Job growth within industries
- Identify workers and sectors at risk of displacement due to identified trends and analyses

SWOT Analysis

- In-depth analysis of regional Strengths, Weaknesses, Opportunities, and Threats, especially as it relates to equitable economic resilience and growth of sustainable industry clusters.
- The SWOT analysis will draw form data components through the analyses.

Regional Plan: Part 2 - Economic Development & Transition Roadmap

HRTCs will also be required to develop a holistic economic development and transition roadmap with strategies that prioritize the creation of high-quality jobs, equitable access to jobs and resources, and emphasizes developing sustainable and resilient economies and industries.

VISION AND GOALS

STRATEGIES FOR THE GROWTH OF TARGETED INDUSTRIES

STRATEGIES FOR
INCREASING
ECONOMIC
DIVERSIFICATION

STRATEGIES FOR
RESPONDING
EFFECTIVELY TO
ECONOMIC SHOCKS

STRATEGIES FOR INCREASING ECONOMIC EQUITY

STRATEGIES FOR
INCREASING HEALTH
AND ENVIRONMENTAL
EQUITY

STRATEGIES FOR ALIGNING WITH STATE STRATEGIES

1. Vision and goals

• Develop vision/goals for creating a High Road economy that is sustainable, inclusive and equitable

2. Strategies for the growth of targeted industries

- 1.Industrial Cluster Development: Current trends and projected growth; consider existing plans like CEDS along with elements that work together to support creation of quality jobs including clear local market signals, value chain and infrastructure, and innovation ecosystem.
- 2. Workforce Development: explain how the industrial strategy plans to match skills to available jobs, address talent and recruitment, and facilitate strategic collaboration among business, training and education institutions, labor, etc.

3. Strategies for increasing economic diversification

• Strategies must focus on economic diversification in at-risk locations (i.e., considering the impacts of economic disrupters such as climate change on the local workforce and economy). Investments must clearly address barriers to attraction and retention of businesses, as well as barriers to quality job access for disinvested communities.

4. Strategies for responding effectively to economic shocks

• Protecting diverse communities, especially disinvested communities, and using economic shocks and disasters as opportunities for growth

5. Strategies for increasing economic equity

- Strategies must refer to the analyses of workforce and demographic trends, and focus on closing gaps, reaching universal levels of service, or disaggregating results by race, ethnicity, income, etc.
- Strategies must create and sustain pathways into quality jobs and family-sustaining careers and improve job quality and wages in sectors that do not offer quality jobs.
- Strategies must support workers potentially impacted by at-risk industries and prevent displacement of incumbent workers or replacement of high-road jobs with low-quality jobs.

6. Strategies for increasing health and environmental equity

• These strategies must include limiting the impacts of economic development activities on the natural environment. They must also avoid exacerbating the effects of climate change and include pathways for mitigating the effects of anticipated climate impacts on targeted industries and occupations. They must also address public health needs, with special attention to the needs of disinvested communities.

7. Strategies for aligning with State strategies

• An assessment of how regional economic development strategies (i.e., planning priorities, grant programs, and regulations) can align with, support, and be supported by existing state strategies in areas like clean energy, air pollution reduction, transportation decarbonization, climate adaptation, sustainable water management, and natural and working lands.



Strategic Investments and Projects

The HRTC will identify 2-5 strategic investments or projects to enact recovery and transition to be funded in Phase II (Implementation) that meat the following criteria:

- 1. Demonstrate proposed impacts to communities/industries
- 2. Demonstrate project feasibility, commitments, and community support
- 3. Promote State climate goals
- 4. Support labor standards and job quality
- 5. Demonstrate clear role in regional strategy to support the creation of quality jobs with:
 - Clear local market signals
 - Workforce development
 - Economic diversification
 - Complement existing funding
 - Achieve timely implementation

Examples of Projects

Examples of projects include, but are not limited to, the following:

- Technical assistance, counseling, or other services to assist with small business planning needs
- Programs that support economic diversification and the development of sustainable industries
- Entrepreneurship and commercialization programs
- Programs to connect small and minority-owned businesses to industries





LA COUNTY CERF Planning Table

The region is meeting virtually every Friday from 9-10 am throughout June and July to respond to the current Solicitation for Proposal (SFP) due on July 25th.

- SFP Link: <u>https://edd.ca.gov/siteassets/files/jobs_and_training/g/notices/docs/wssfp21-06.pdf</u>
- State's CERF Website: https://opr.ca.gov/economic-development/just-transition/cerf.html
- LA County's CERF Website during the proposal phase: <u>www.laedc.org/cerf</u>
- To sign up for the LA County CERF Friday meetings and committee groups, please complete this survey: https://forms.office.com/r/9nNb2mStrV
 - 3 Committees focused on the proposal submission include Governance, Outreach and Engagement, and Research and Data



Thank you!

For more info, please visit: www.laedc.org/cerf

Questions can be sent to Suli Kenyatta at suli.Kenyatta@laedc.org

