

Date: May 20, 2009

To: Robert Sainz, AGM
Community Development Department

From: Jaime H. Pacheco-Orozco, Acting Director
Workforce Development Division

**SUBJECT: AMERICAN RECOVERY AND REINVESTMENT ACT
(ARRA) RAPID RESPONSE FUNDING**

BACKGROUND

The City of Los Angeles Rapid Response (RR) is a federally mandated and funded program designed to provide assistance to employers and employees affected by impending layoffs or plant closures. The Rapid Response team consists of designated representatives from the City of Los Angeles Rapid Response Unit, Local EDD, the Department of Labor (DOL) and local One-Stops (WorkSource Centers). The RR Team is tasked with addressing mass layoffs and responding to natural or economic disasters in the local area.

The City of Los Angeles received \$1,492,235 in the American Recovery & Reinvestment Act (ARRA) funding to expand Rapid Response services. This funding is subject to allowable Rapid Response functions for Program Years 09-10 and 10-11. The Department will be seeking formal approval and recommendation through its Workforce Investment Act Annual Plan. This is a memo that serves as a strategic framework for the ARRA Rapid Response activities in the WIA Annual Plan.

RECOMMENDATIONS

In order to meet the ARRA requirements for expedited and effective use of the funds and to respond to the WIB members' desire to enhance Rapid Response services rendered by the City's Workforce Development System, the Department outlined a framework to implement Rapid Response allowable services quickly, to allocate sufficient resources through the Year 10 Annual Plan process and to expend the funds within 18 months of receipt.

- 1. Allocation of ARRA – Rapid Response Funds to be awarded through a competitive RFP process to enhance and expand RR services to the City of Los Angeles Workforce Development System.**

It is recommended to award \$725,000 in contract services to enhance and expand needed RR services. Contract services may include, but not limited to the following services:

- Providing layoff aversion and business retention technical assistance to the WorkSource Center system
- Devising business retention strategies for employers
- Providing business services workshops
- Collaborating with EDD and other organizations to research business activity
- Business outreach
- Coordinating Labor/Management/Workforce Transition Committees
- Providing training orientations on industry-specific opportunities

2. Allocation of ARRA-Rapid Response Funds for the purpose of providing Dislocated Worker Incentives

Allocate \$200,000 to provide incentives to dislocated workers when registering at one of the City's WorkSource Centers. The City of Los Angeles Workforce Development System trend is that of losing a substantial number of dislocated workers from the RR orientation to enrolling at a WorkSource Center. The goal is to provide an incentive to individuals to register immediately following their attendance at a RR orientation. To provide incentive, the department recommends offering a gift card when they visit a City of Los Angeles WorkSource Center and are issued their Universal Access swipe card. Agencies would be required to provide the RR Unit with the names of individuals issued cards. This would allow WDD to track this as a performance metric.

3. Allocation of ARRA- Rapid Response Funds for the purpose of Building Capacity for Core Rapid Response Activities

Allocate \$267,235 to enhance and build additional capacity and infrastructure of the City's Rapid Response Program. As part of the Community Development Department re-organization plan the department recommends the following:

- Secure presentation equipment for each region (computers, projectors, etc.)
- Secure citywide uniformed RR materials and supplies to address the reorganization and shared RR responsibilities.
- Secure outreach materials for community and job fairs (canopies, signage, banners, and promotional items.
- Provide system-wide RR training opportunities for the purpose of enhancing and building capacity for RR staff which includes conference fees and travel expenses.

4. Allocation of ARRA- Rapid Response Funds to reactivate the Lay-Off Aversion Program (LAPC) – Business Retention Strategies

Allocate \$300,000 to reactivate the City of Los Angeles Lay-Off Aversion Program. The LAPC is a collaborative effort that pools the talents and resources

of economic development, workforce development, labor and business professionals in the Los Angeles area to share their knowledge and expertise on trends and activity in economic, industry, business labor market and related fields.

The aim of the LAPC is to identify and implement actionable solutions for businesses and dislocated workers by pooling resources and information in the Los Angeles region.

LAPC Goals:

- Identify companies and/or industries facing serious challenges that could precipitate a layoff and coordinate an implementation plan that addresses these concerns in order to stabilize and improve the business' performance in preventing or minimizing layoffs.
- Analyze trends in industry and develop strategies (an early warning system) to anticipate and plan for future dislocation events.
- Identify, innovate and implement services that support the goal of getting dislocated workers into self-sufficient employment as quickly as possible.
- Outreach to 2000+ small businesses.