



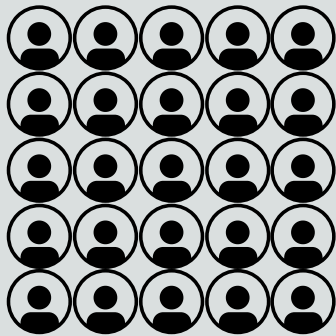
FISCAL YEAR 2025-26

Budget Hearing

May 1, 2025

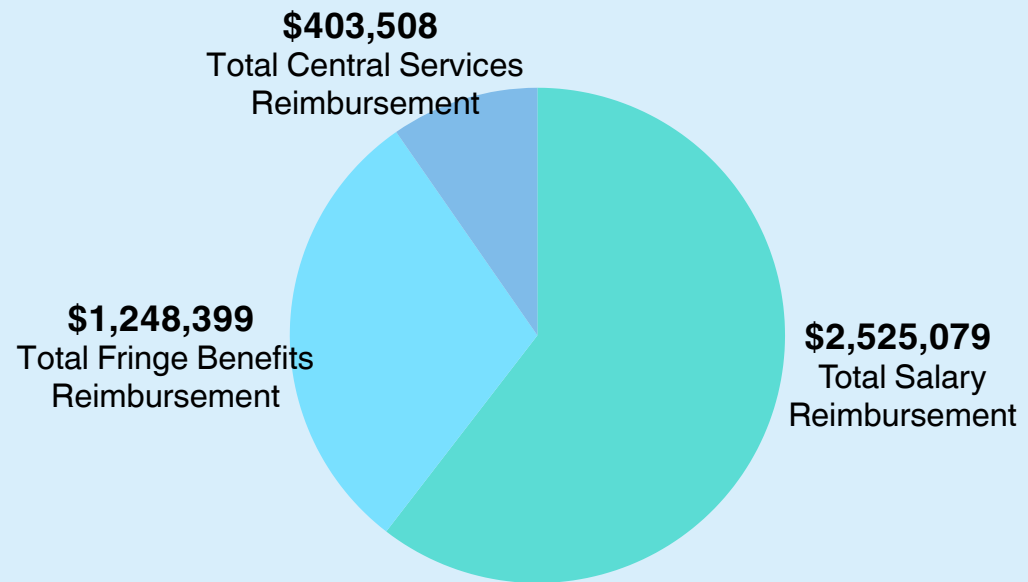
**Total
General Fund
Cost**
(\$1,173,753)

**Total Unrecoverable
General Fund Reimbursement
from 25 Position Eliminations**
(\$4,176,986)



25 Positions Eliminated
to save \$1,173,753 in
General Fund Dollars

Representing 0.12% of total
City of Los Angeles deficit





Category	Social Services	Economic & Workforce Development
Goal	Alleviate immediate hardship and meet basic human needs (e.g., food, housing, health)	Stimulate long-term economic growth, job creation, and business vitality
Focus	Individuals and families in crisis or need	Systems and infrastructure that support businesses, jobs, and investment
Impact Timeline	Immediate or short-term relief	Long-term structural change
Cycle	Continuous care model (recurring)	Development and growth model (evolving)



1. Accept the proposed Fiscal Year 2025-2026 EWDD budget, outlined in the Mayor's Proposed Detail of Department Programs (Blue Book) Volume I.

Summary of Proposed Deletions in 25-26 Blue Book

- *Elimination of Day Laborer Services Program (\$1M)*
- *Deletion of 7 positions (4 filled, 3 vacant)*

*2. Amend Exhibit H to exclude EWDD from the proposed consolidation and request a report back from EWDD with alternative options to Exhibit H, including fiscal impacts, trade-off analysis, resource and expertise implications, cost-saving measures, strategies to reduce layoffs, position eliminations, and displacements, reconciliation of final position count, and revenue-generating alternatives; or

(*The most recent CLA report of 4/29/25 supports further analysis of Exhibit H)

3. Alternatively, pause/delay Exhibit H CIFD consolidation by removing the July 1, 2025 effective date until an assessment/analysis is conducted by the Chief Legislative Analyst on the long-term impacts of eliminating a centralized economic and workforce department.

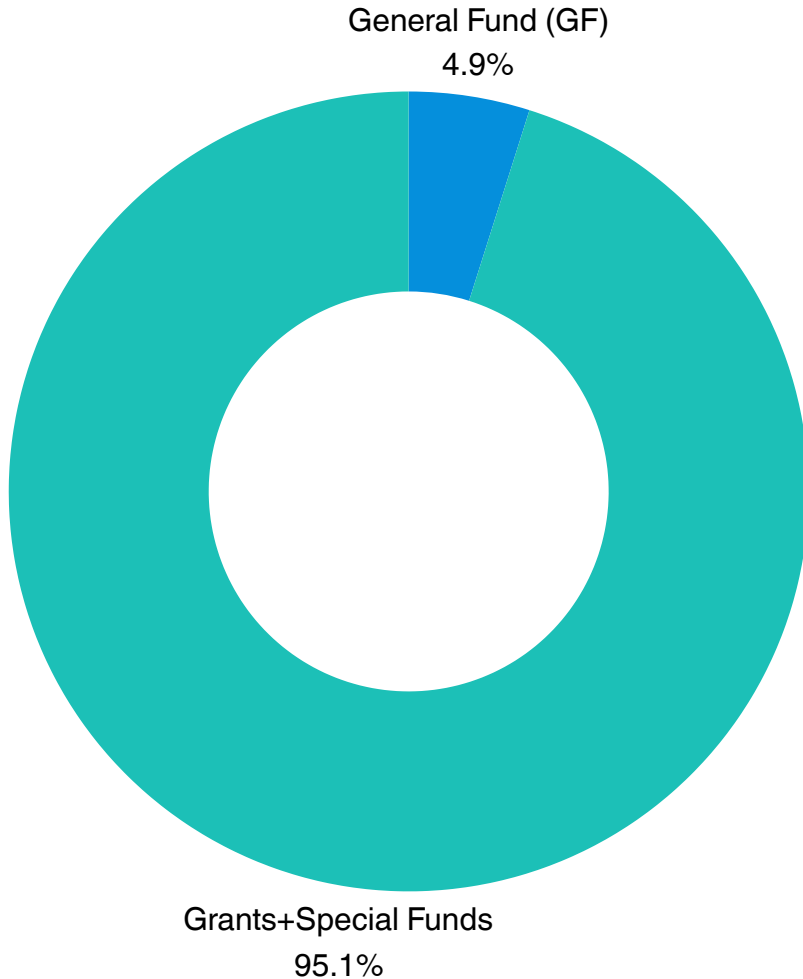


Finally, the Proposed Budget includes a number of proposals for consolidation of departments and functional transfers in Exhibit H. None of these proposals are actually reflected in the departmental budgets. Given the significant changes, it may be more appropriate for Council to take up these policy proposals outside of the budget process, especially since these proposals seem to have little or no revenue impacts.

Considering the structural problems of the City, and the strong potential for increased economic uncertainty and the impacts of the reductions included in the Proposed Budget, the Council should exercise caution and make every effort to understand and minimize the impacts of cuts on residents while ensuring the City is in sound financial shape in the upcoming year and beyond.



● General Fund (GF) ● Grants+Special Funds



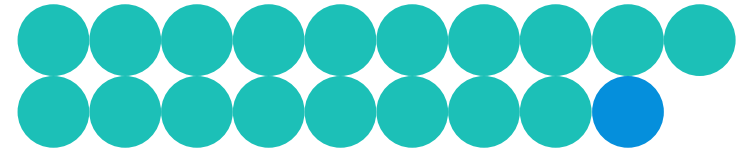
\$422,700,000

95% Grants+Special Funds

\$21,700,000

5% General Fund

19:1
Ratio



For every \$1 General Fund,
EWDD leverages \$19 grants & special funds.

Grants+Special Funds Breakdown

\$422,700,000

=

\$245,085,000

+

\$177,660,000

Grants+Special Funds

Economic
Development Division
(EDD)

Workforce
Development Division
(WDD)



EWDD’s Program Portfolio (Selected Activities)

ECONOMIC DEVELOPMENT DIVISION (EDD)
BusinessSource Centers Small Business Support Services Access To Capital Post-COVID + Disaster Recovery Grants Real Estate Development (including affordable housing) Entrepreneurship Training & Support Contract Financing Program
WORKFORCE DEVELOPMENT DIVISION (WDD)
WorkSource & YouthSource Centers Re-Entry Programs Summer Youth Employment Programs Targeted Local Hire LA:RISE (Homelessness Intervention) Displaced Worker Programs InsideSafe Connector Program HIRE LA’s Youth

Other Major U.S. Cities

CHICAGO – Department of Business Affairs and Consumer Protection (BACP) & Chicago Department of Planning and Development (DPD)

- Focus Areas: Business licensing, support services, economic incentives, small business centers, workforce programs.
- Initiatives:
 - Neighborhood Opportunity Fund to support small businesses in underserved areas.
 - ChiBizStrong Initiative post-COVID recovery grants and assistance.

ATLANTA – Invest Atlanta (Economic Development Authority)

- Focus Areas: Business growth, real estate development, job creation, workforce development.
- Initiatives:
 - Women’s Entrepreneurship Initiative (WEI) to support women-owned businesses.
 - Small Business Loan and Grant Programs targeting underserved neighborhoods.

SEATTLE – Office of Economic Development (OED)

- Focus Areas: Workforce development, small business growth, equitable development.
- Initiatives:
 - Only in Seattle – neighborhood-based small business support.
 - Youth Employment Program in partnership with community colleges.

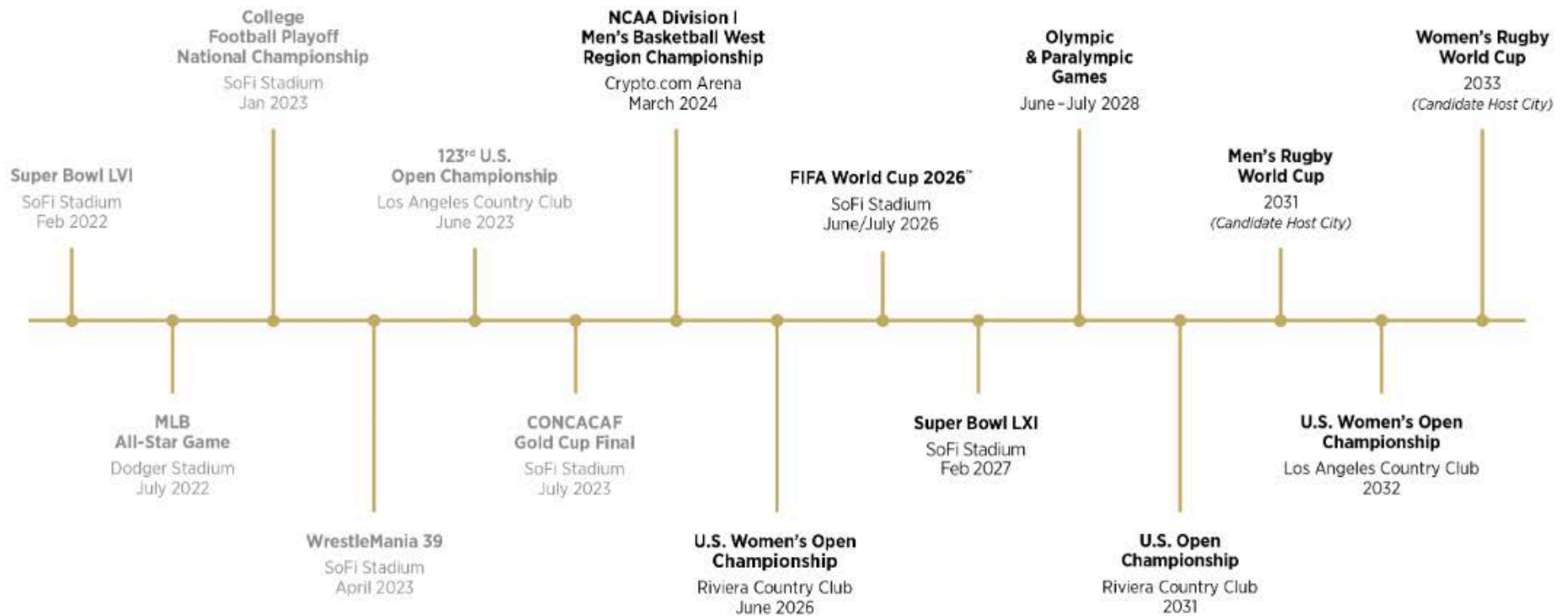
BOSTON – Office of Economic Opportunity and Inclusion

- Focus Areas: Small business support, equitable growth, workforce development, MWBE advancement.
- Initiatives:
 - Biz-M-Power – crowdsourcing and matching grants for small business improvements.
 - City Academy – workforce training for public sector jobs.



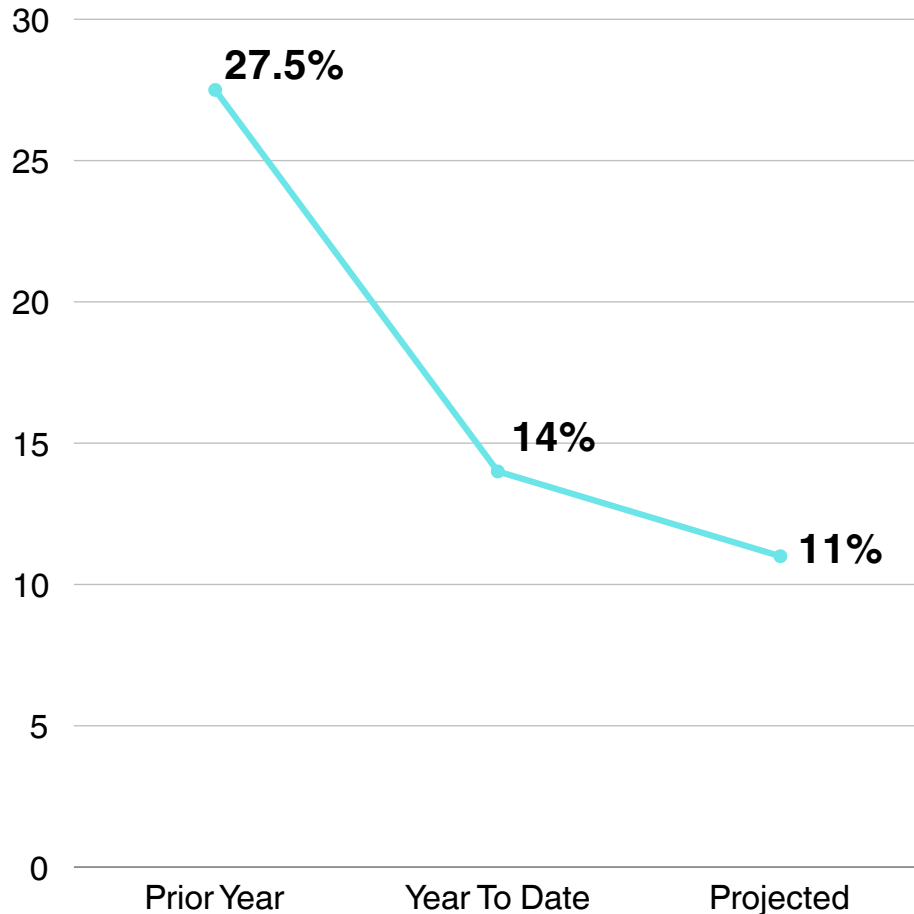
Major Events: Envisioning a Legacy of Economic Inclusion

As Los Angeles prepares to welcome the world for major events like the 2026 World Cup and the 2028 Olympics, EWDD's strategic planning and public-facing programs will play a critical role in preparing small businesses and our workforce to achieve equitable, inclusive, and lasting economic benefits that reach the widest possible cross-section of small businesses and residents.





EWDD Vacancy Rate 2024-Present



Impact of Filling Critical Roles

As a result of filling critical roles, EWDD has achieved and continues to benefit from the following outcomes:

1. Effective and timely utilization of funds intended for grants administration;
2. Increase in compliance response rates and accountability measures;
3. Faster payment of bills and reduced contract processing & execution times;
4. Projected to save millions of dollars from reducing the amount of unspent grant dollars returned to funders, and;
5. Improved operational efficiency and team morale.