Inclusive Economic Recovery Strategy (IERS)
Summary of Findings and Draft Recommendations

Overview

This document provides an overview of SCAG's approach to developing the Inclusive Economic Recovery Strategy, offers a complete list of the findings from SCAG's outreach efforts, and previews a list of draft recommendations for consideration. While the recommendations are more extensive than SCAG will be able to deliver with existing resources, they are offered as a starting place for prioritizing SCAG's work program on economic recovery. They also provide a set of ideas for partners to consider in their work programs.

Methodology

The IERS has been developed by following the approach laid out in President Richardson's FY20/21 Work Plan, of ***Listen, Convene, Catalyze***. Staff conducted an extensive literature review, reviewed best practices from across the country, and held 20 convenings of more than 230 stakeholders, including:

1) **Large and Small Employers** – grouped by region
2) **Developers –** urban and infill, affordable and market rate, commercial and residential
3) **Community Based Organizations** that work on economic and community development
4) **Foundations** whose mission includes community and economic development
5) **Labor Unions and their Partners**
6) **Workforce Training/Education/Development –** academic and training institutions
7) **Municipal Entities** that work on economic development, such as Economic Development Corporations, economic development departments
8) **Councils of Government**
9) **Financial Sector** – including banks and community development financial institutions (CDFI)/intermediaries
10) **GLUE Council** – SCAG's Global Land Use and Economics Council

In addition, stakeholders were provided an online survey. SCAG received 94 responses.

The team also sought feedback from SCAG's Special Committee on Equity and Social Justice, as well as the Community Economic and Human Development Committee. This summary also incorporates SCAG's Energy and Environment Committee's feedback related to economic development in connection to SCAG's January 2021 Climate Change Action Resolution.

Baseline Data

SCAG relied on several data points to develop the guiding principles for the IERS. The data came from the National Equity Atlas, SCAG's recently published *Racial Equity: Baseline Conditions Report*, the Briefing Book from SCAG's 2020 Economic Summit, and the 2021 State of California Governor's budget proposal. The final IERS report will include a more detailed data report. This summary document provides the following key data points:

- From the National Equity Atlas, SCAG considered data points from 1980 – 2017, disaggregated by race and by county. Key findings are that:
  - While the disparity in unemployment between the white population and people of color (POC) has shrunk, the unemployment rate for POC is still 38% higher.

- o For all races, the percentage of working poor has <u>increased</u> in the SCAG region between 1980 (6.83%) to 2017 (11%); people of color are working poor at rates 3 times as high as the white population;
    - o Workers of color are paid nearly $10 less per hour ($17) than their white counterparts ($26), equating to a nearly $20,000 deficit in pre-tax income.
- From the 2020 Economic Summit Briefing book and a subsequent update in February 2021:
    - o One year into the pandemic, unemployment is starting to shrink – however it is higher in the SCAG region (10.7%) than the state (9.2%) and the country (6.8%) as a whole;
    - o Lower income residents in the SCAG region saw higher employment losses and will experience a slower recovery;
    - o The SCAG region recovered 704,400 jobs between April 2020 and January 2021.
- From the State of CA Governor's budget:
    - o The income gap has grown faster in California than in the country as a whole;
    - o The richest Californians have seen record wealth gains in 2020;
    - o Those that already work paycheck to paycheck have been hit hardest by the pandemic.

Guiding Principles and Focus Areas

The IERS identifies **5 guiding principles** to drive its work and to act as a lens for identifying recommendations:

1. Center the economic recovery strategy on **racial and gender equity**; focus on **reducing the racial wealth gap**;
2. Focus on **rebuilding the middle class** with **high road employment**;
3. Ensure that all strategies contribute to a **climate ready region,** both in mitigation of climate-impacts and adaptation to climate hazards**;**
4. Tailor strategies to the needs of both **industry sectors** and **geographic subregions**; and
5. Bring **new and diverse voices to the table.**

Findings and recommendations are organized across **4 focus areas, which are interconnected and equally important.** After holding the convenings and assessing the findings, SCAG grouped the transportation and infrastructure focus areas together:

1. *Housing Production* – support housing production to provide a range of housing for households at all income levels, and to act as an economic generator for high quality jobs.
2. *Transportation and Infrastructure* – identify projects of regional significance that are ready to move forward and will create equity-ready jobs, increase access for communities of color, improve the jobs/housing balance in the region, and promote sustainability.
3. *Sector Based Strategies* – identify the needs of growth sectors that provide the greatest opportunities for middle class, family supporting jobs and "future proofing" the economy.
4. *Human Capital* – identify the intersectional issues that create opportunities for economic mobility, such as job training/education, childcare, public and mental health, access to capital and affordable housing; and support the "complex adaptive coalitions" necessary to achieve economic mobility.

Findings and Recommendations

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The findings are based on stakeholder outreach conducted for this effort. Recommendations are organized by focus area.

Findings: The findings reflect summaries of what was heard in 20 convenings, in survey responses, and in feedback from SCAG's Special Committee on Equity and Social Justice, SCAG staff, SCAG's Community, Economic and Human Development (CEHD) committee, discussion at SCAG's Energy and Environment Committee (EEC) regarding the recently adopted Climate Change Action Resolution, and the GLUE (Global Land Use and Economics) Council. As such, these findings are not meant to be exhaustive of all factors that relate to economic recovery but reflect what we heard through the "listen and convene" process.

Recommendations: The draft recommendations were generated in response to the stakeholder outreach findings and best practices research, and are organized in a matrix, across two sets of axes:

1. Axis 1: Recommendations for Action are organized into 3 categories:
   a. SCAG is actively pursuing with existing resources
   b. SCAG can pursue through partnerships and with additional resources (funding and/or staff)
   c. Additional recommendations where SCAG could support a collaborative partner
2. Axis 2: This organizes the recommendations across the five (5) "levers" that SCAG brings to the table; (1) Data; (2) Policy and Advocacy; (3) Convenings; (4) Technical Assistance; and, in more limited areas, (5) Funding.

As a reminder, because these draft recommendations are more extensive than SCAG will be able to deliver, they are offered as a starting place for prioritization of SCAG's work program on economic recovery and as a set of ideas for partners to consider in their work programs.

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FOCUS AREA: HOUSING PRODUCTION

Findings:

- Housing Production (and Preservation)
  - Lack of affordable housing, particularly in the mid-range of cost, is a shared concern across stakeholder groups. Some emphasized the importance of producing new housing and preserving existing affordable housing near jobs centers. Others noted the importance of developing affordable housing across the region to avoid further concentrating poverty.
  - We need wealth building tools for communities that have historically been excluded from the benefits and opportunities of home ownership. Connecting people to home ownership is one way, but it is not enough to close the ever-growing racial wealth gap. In the meantime, a number of stakeholders called for a public subsidy to support low-income families access home ownership.
    - More attention and investment should be given to community land trusts as a way to build community wealth and create alternative approaches to ownership housing.

- o SCAG should support acquisition and rehabilitation of existing affordable housing stock to prevent loss of this existing scarce resource and tenant displacement.
- o Housing production is particularly challenged because housing is a net fiscal loss for municipalities; it does not generate sufficient taxes or resources needed to service it (infrastructure, fire/life safety, etc). However, housing shortages are a drag on the economy driving up commuting, health and labor costs. SCAG should help cities quantify the fiscal cost of not producing housing.
- o New housing infrastructure needs to include climate-ready strategies to minimize the potential loss of housing units stemming from climate-related hazards, including sea level rise, wildfires, landslides, extreme heat, and drought, among others.
- o The economic costs of not addressing climate hazards in the context of housing supply will heavily impact local governments; instead, climate-adaptive housing strategies can generate economic benefits for communities.

- Land Use/Zoning
  - o There is an opportunity for economic justice organizations and housing justice organizations to work more closely together to advocate for mixed-use zoning and other land use patterns that link housing and jobs centers in close proximity. Similarly, housing must have access to high quality transit.
  - o The housing development process should be streamlined, particularly through increased transparency in the approval processes and through CEQA streamlining and reform.
  - o The proliferation of single family (and some rental properties) becoming short term rentals affects housing availability and affordability.
  - o Policymakers, elected officials and the public need to understand, discuss and study the complexities of balancing housing production, sustainability and land conservation goals (i.e. conserving land for agriculture and other natural resources) including the economic benefits and climate impacts of natural and working lands.
  - o Land use policy and zoning are important tools for local jurisdictions to lessen the risks and costs from climate-related hazards on residents and housing, especially related to building in areas at risk for wildfires.

- Diversity and Inclusion in Delivery of Housing
  - o The real estate development and financing industries sorely lack diversity. The property management division of many development companies are diverse, but few people of color are gaining entry to higher-earning careers in development.
  - o Housing construction is an opportunity to support local contractors and jobs in construction, as well as during operations. Housing developers must be intentional about hiring local, community-based business and service providers for their contracting needs (e.g., security, landscaping, preventative maintenance).
    - While there is interest in having better equity outcomes in contracting and jobs, the transaction costs of identifying qualified contractors and workers can become a barrier to a project's implementation.
- Financing

- o Developers face serious barriers and challenges in securing the capital needed for affordable housing projects. In particular, low-income housing tax credit (LIHTC) allocations are becoming increasingly competitive. Moreover, restrictive net worth requirements for developers can exclude historically marginalized developers from fully participating in the field.
  - o More financing is needed for delivery of rental and ownership housing at all levels of affordability (moderate to extremely low income).

- Other
  - o The link between housing and health is gaining traction outside the advocacy realm. Stakeholders noted that residential developers are beginning to work with hospitals to develop housing that is responsive to promoting healthy living.

FOCUS AREA: HOUSING PRODUCTION	SCAG's 5 LEVERS FOR ACTION				
Recommendations	Data	Policy Advocacy	Convenings/ Presentations	Technical Assistance	Funding
SCAG is actively pursuing with existing resources - the Regional Early Action Plan (REAP) program					
Invest in subregional efforts to expand local capacity and increase housing production through technical assistance and training on use of CEQA Streamlining tools and other ministerial approval options. Facilitate peer learning across municipalities about best practices in coordinating review and approval by various departments and create more transparency in the review and approval process.			X	X	X
Support efforts to create regional financing strategies and funding sources for affordable housing for low and moderate income renters.		X	X	X	X
Partner with local philanthropy on the Call for Collaboration program to grow CBOs' capacity to educate and engage community about housing land use planning. As part of this, SCAG should regularly convene CBOs working on housing issues to stay apprised of key upcoming policy developments.			X	X	X
Launch a communications initiative that conveys the value and importance of sustainable, equitable housing. This could be an effort similar to SCAG's Go Human campaign.	X	X	X		X
Provide training and education to local elected officials, department staff and other community stakeholders to promote understanding of the challenges and opportunities for sustainable, equitable and climate adaptive housing development.			X	X	X
Support regional efforts to streamline, design and finance development of accessory dwelling units (ADUs), including facilitating policy sharing across jurisdictions to create greater consistency.	X		X	X	X
Establish or partner in a Housing Innovation Lab that explores new policies and models for accelerating housing production and approaches to delivering both for sale and affordable housing more efficiently.			X		X

Recommendations	Data	Policy Advocacy	Convenings/ Presentations	Technical Assistance	Funding
SCAG could pursue with partners and additional resources					
Convene financial sector, CDFI and other partners to explore opportunities to expand homeownership for lower income communities and communities of color, including production, financing and identifying barriers to ownership; within this effort, explore alternative approaches to building wealth through ownership, including community land trusts, tenants in common and other models.	X		X		
Advocate for new and increased federal and state funding for acquisition and rehabilitation of existing at-risk affordable housing	X	X	X		
Work with member jurisdictions to access state and federal weatherization, home hardening, and energy efficiency retrofit funds to reduce health risks from climate-related hazards (e.g. extreme heat, wildfires, sea level rise). Target investments to low-income households and residents in disadvantaged communities to reduce their electricity bills, improve public health outcomes, increase resilience, and reduce GHG emissions. Prioritize inland communities, who are most at risk for extreme heat health impacts.				X	X
Support efforts to include climate ready strategies in housing construction to minimize the potential loss of housing units stemming from climate-related hazards, including sea level rise, wildfires, landslides, extreme flooding, extreme heat, and drought, among others.		X	X		X
Evaluate the economic costs of not addressing climate hazards in the context of housing supply for the region, including insurance, public health, and loss of life impacts, and tabulate the economic benefit of climate-adaptive housing strategies (including land use and zoning strategies)	X			X	
Understand, discuss and study the complexities of balancing housing production, sustainability and land conservation goals (ie conserving land for agriculture and other natural resources).),including the economic benefits and climate impacts of natural and working lands.	X			X	
Recommendations	Data	Policy Advocacy	Convenings/ Presentations	Technical Assistance	Funding
Additional recommendations where SCAG could support a collaborative partner					
Convene leaders in residential development, workforce, and community development to **coordinate and grow a pipeline of racially and ethnically diverse affordable and market rate housing developers.** Further **investigate the barriers experienced by developers of color** in growing their project portfolios and revenue to determine how SCAG can support this industry via policy advocacy. Example: National Equity Fund (NEF) launched a $100 million Emerging Minority Developers Fund to provide developers of color with technical assistance and capital to support affordable housing development, with particular attention to accessing LIHTC financing. In addition, LIIF may have a similarly targeted fund coming online soon.	X	X	X		
Invest in capacity building for GCs and subcontractors owned by people of color so that they are better equipped to win and complete projects with larger developers.		X	X	X	X
Work with local governments to **develop a toolkit of meaningful equity- and inclusion-focused benefits that developers can provide and be guaranteed certain project benefits** (e.g., expedited processes).		X	X	X	

FOCUS AREA: TRANSPORTATION AND INFRASTRUCTURE

Findings:

- Investments in Transportation and Infrastructure
  - SCAG's Connect SoCal identifies $638 billion in transportation investments that rely heavily upon fuel and sales tax revenues that continue to be greatly impacted by COVID-19.
  - Stakeholders encouraged SCAG to aggressively organize the region and pursue funding through Federal stimulus and various State programs targeting infrastructure and transportation.

- Infrastructure to Support Economic Growth
  - In more rural and industrial areas flexible transit options like on-demand service need to be part of the solution.
  - Advocates, labor leaders, and real estate developers noted that complete streets investments provide workers more safe and affordable options for accessing job opportunities. In addition to benefiting the region's workforce, complete streets and transit investments benefit the region's youth and aging populations, and contribute to reducing GHG emissions.
  - Goods movement represents a disproportionate share of transportation emissions, requiring an aggressive strategy to deploy zero-emissions technologies that will reduce harmful emissions, particularly in low-income communities.
  - Climate adaptation and mitigation infrastructure has a net economic benefit, both in terms of job creation and for workforce development in transitioning to a greener economy.
  - Energy generation in the power sector is an important aspect of climate mitigation and adaptation; local agencies have an important role to play to promote resilience and reduce costs from future stressors and shocks to the grid.

- Digital Divide: Workforce, philanthropic, and small business stakeholders highlighted that the digital divide is a critical, top priority to address.
  - Many stakeholders noted that the digital divide extends beyond broadband infrastructure to also includes lack of access to devices and low levels of digital literacy. During the COVID-19 pandemic this contributed to barriers to workers looking for job opportunities and resources, and posed challenges for small businesses in accessing much-needed financial resources and vital online marketplaces.

- Other:
  - To increase climate infrastructure conversations and for investments to be successful, advocates are eager to see greater multi-agency collaboration (e.g., public works, legal, transportation, sustainability) within and across jurisdictions.
  - Considering society is transitioning to increasingly rely on electricity, policy-makers must ensure that low-income communities are not overburdened by high-cost energy.

FOCUS AREA: TRANSPORTATION AND INFRASTRUCTURE	SCAG's 5 LEVERS FOR ACTION				
Recommendations	Data	Policy Advocacy	Convenings/ Presentations	Technical Assistance	Funding
SCAG is actively pursuing with existing resources					
Develop a **Broadband Action Plan** to lead and support regional efforts in bridging the digital divide.	X	X	X	X	
Develop a regional blueprint for zero emissions medium- and heavy-duty truck charging infrastructure that can inform local and subregional infrastructure investment and development, provide climate mitigation opportunities, and identify areas for regional coordination and support.	X		X		
Advance the adoption of **zero-emission heavy- and medium-duty vehicles through SCAG's Last Mile Freight Program.**		X	X		X
Identify priority transportation and infrastructure projects across the region that will invest in and directly benefit low-income, communities of color. **Advocate for funding at the state and federal level to have targeted hiring and job quality standards written into the policy** so that project funding creates middle-class jobs.	X	X			
Identify **funding to support subregional and local efforts to study and implement EV infrastructure**, with an emphasis on investing in infrastructure that specifically meets the needs of low-income communities. In the near-term, work with state policy makers to ensure that the ~$1.5 billion included in Governor Newsom's budget is invested equitably to benefit communities that stand to gain the most, and leverage existing advocacy efforts like the Transportation Electrification Partnership led by the Los Angeles Cleantech Incubator.		X	X	X	X
Support active transportation and first/last mile connections as a priority for connecting communities to jobs and economic opportunities, as well as for reducing GHG emissions. Continue and expand efforts of the GoHuman Campaign, Sustainable Communities Program and Active Transportation Working Group to support and provide funding to local agencies, with an emphasis on projects designed to benefit underserved communities, including those with youth, older adults, and people with disabilities.			X	X	X
Using resources from the REAP program, advocate for infrastructure development tools to **facilitate housing production and economic growth in Priority Growth Areas**, as defined in the Connect SoCal plan.	X	X	X	X	X
Recommendations	Data	Policy Advocacy	Convenings/ Presentations	Technical Assistance	Funding
SCAG could pursue with partners and additional resources (staff and funding)					
Pursue funding for a study on upgrading the region's energy grid to meet increasing demand, promote regional resilience, reduce our region's greenhouse gas consumption, and identify policy solutions for addressing equity impacts.	X	X	X		
Identify brownfield remediation projects that stand to transform communities in ways that align with the Connect SoCal plan's goals. Identify funding sources for brownfield remediation and provide cities and subregions with technical assistance in preparing clear and compelling funding applications.	X	X	X	X	
Support local agencies in **seeking federal infrastructure funding to deliver safe, clean drinking water to underinvested communities across the region.** Water infrastructure investments will better prepare the region to be climate-ready and meet its future water needs. Prioritize support and investments to tribal communities, Colonias in Imperial County, and other high-need communities.		X	X	X	

FOCUS AREA: SECTOR BASED STRATEGIES

Findings:

- Growing Family-Supporting "Middle Wage" Jobs
  - Subregional partnerships are working to transform low-wage growth sectors to provide higher wage job opportunities. These industries can be shaped and repositioned towards better paying models. This work would benefit from SCAG's role in supporting local efforts and facilitating partnerships.

    Example: Inland Empire Growth and Opportunity is an initiative focused on identifying growth industries, such as logistics and supply chain, and how they can be improved to create better equity and environmental outcomes.

  - Employers are frustrated that even when paying a living wage (e.g., $17/hr. for a single individual in Ventura County), their lowest-earning employees still cannot afford to rent a nearby unit, let alone become homeowners.
  - Several stakeholders raised that Southern California needs to reinvest in growing its manufacturing sector.
  - The in-home and direct care industry is an example of a high demand industry that continues to have low wages.

- Regulatory Reforms
  - Stakeholders expressed concern that businesses are choosing to relocate or expand their operations outside of California, due to the state's higher taxes, regulatory requirements, and limited incentives.

- Entrepreneurship and Small Business Support
  - The unique needs and barriers of workers and entrepreneurs in the informal economy are often overlooked when policies and programs are being crafted. In the instances where these individuals are eligible for support and resources, the process to obtain the resources is overly-complicated and discouraging.
  - Local chambers and small business assistance providers surfaced the need for diversity, equity, inclusion training and resources to be readily available for small businesses, to grow their understanding of the issues and the strategies to advance these principles as an employer.
  - Small, women and minority owned businesses struggle to compete for government contracts that can become a path to business growth. Along these same lines, there are examples of anchor institutions that are committing to diversifying and expanding their supply chain (Cedars Sinai is one example).

- Agricultural Production: Some stakeholders stressed the importance of preserving land for agricultural and other conservation purposes, for increased food security, job creation, and general sustainability purposes. Others expressed concern about the conflict between preservation and increased housing production and other economic growth needs. SCAG's Connect SoCal identified that implementation of identified agricultural conservation strategies could preserve 8,700 more acres of productive agricultural land and $23 million more in agricultural production value than "business as usual" strategies.

FOCUS AREA: SECTOR BASED STRATEGIES		SCAG's 5 LEVERS FOR ACTION				
Recommendations	**Data**	**Policy Advocacy**	**Convenings/ Presentation**	**Technical Assistance**	**Funding**
SCAG is actively pursuing with existing resources					
Boost local efforts to foster industry clusters, such as the Inland Empire's burgeoning technology and innovation ecosystem or LA County's bioscience ecosystem by offering support on funding applications and convenings, and advocating for supportive policies and funding.		X		X	
Augment municipalities' capacity to apply for and secure federal funding for local projects, such as EDA grants. Non-governmental partners are reliant on local governments to be lead partners in pursuing grants, but due to limited capacity and divergent priorities within local government lead agencies, community-oriented projects are left with funding gaps. SCAG can help to organize funding pursuits in the region and be an engaged government partner.		X		X	
Convene CDFIs and other financial investors to share ideas and best practices for increasing access to capital for entrepreneurs of color. Example: UMA's Pathways to Patient Capital highlights the Boston Ujima Project and the Build Institute in Detroit (https://www.urbanmfg.org/wp-content/uploads/2019/07/UMA-Pathways-to-Patient-Capital-Final-1.pdf)			X		
Lift up examples of **industry leaders who have implemented effective diversity/equity/inclusion business practices,** including best practices in incorporating curriculum about diversity, equity, and inclusion-focused business practices into entrepreneurship and small business training programs and best practices for achieving diversity goals within incubator and accelerator portfolios. Encourage industry leaders to adapt and apply these best practices to their own policies and procedures. This will help businesses grow inclusive cultures early on in their company history. Example: LACI is recruiting more businesses founded by women and people of color, and incorporating DEI modules into their start-up trainings. LACI is also thinking about how to leverage the technology that's coming out of its portfolio companies so that it can benefit communities who need it the most.			X		
Identify top **regulatory reform** recommendations for the State of CA and work with partners to seek legislative solutions.	X	X	X		
Work with local jurisdictions and industry leaders to develop a **Priority Agricultural Lands (PAL) Program** to implement Connect SoCal's agricultural lands conservation strategies.	X		X	X	
Recommendations	**Data**	**Policy Advocacy**	**Convenings/ Presentations**	**Technical Assistance**	**Funding**
SCAG could pursue with partners and additional resources (staff and funding)					
Become a source of regional data that can support and inform policies around economic development, and in particular align with the data needs identified in the March 2021 report of the State's Future of Work Commission.	X				
Develop subregional studies on growth sectors that support middle skills jobs as well as "future proofing" the economy, through both data and convenings, and include recommendations for supporting those sectors as well as identifying workforce development and training needs, best practices and subregional-specific partners**.**	X				
Convene a collaborative of hospitals and universities to diversify their supply chain and grow economic opportunities for minority- and women-owned businesses. Partner with private funders, such as UniHealth Foundation, to support implementation. CASE STUDY: Evergreen Cooperatives (Ohio) Example: an early-stage effort is UCSF's Anchor Institution Initiative (https://anchor.ucsf.edu/) (Supplier Diversity Program: https://supplychain.ucsf.edu/supplier-diversity-program)	X	X	X		
Convene local agency procurement departments to discuss best practices and implementation in procedures and policies that reduce or eliminate barriers to small, women, and minority owned businesses. Work with local partners to **create a shared set of certification and contracting templates and materials.** Identify **funding for jurisdictions to migrate to a common platform**	X	X	X	X	X
Produce county-level economic analyses to **determine the local economic impact of racial and gender inequality**. The publications can be used to inform community benefits agreements with private sector employers and developers.	X	X	X		

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FOCUS AREA: HUMAN CAPITAL

Findings:

- Childcare
  - The pronounced gender disparities in economic participation since the onset of the pandemic have elevated the long-time need for affordable childcare that is financially accessible and available for any family needing it.
  - Workforce practitioners noted the importance of co-locating childcare with adult training and education centers and jobs centers.
  - Employers in the agriculture industry raised that the childcare needs for their workforce are not currently being met, in part because the facilities are not open early enough to align with farmworkers' job hours.

- Workforce Development
  - More needs to be done to train and connect youth to workforce opportunities, particularly in high-demand industries with workforce gaps. The community college system holds untapped potential to further expand opportunities.
  - Some of the restrictions placed on workforce development funding restrict how effective a program can be in supporting target populations' access to and success in training programs.
    - Within the context of youth, requirements of when funds can be used are misaligned with when the funds are needed. Currently, youth programs with certain types of grant funding cannot enroll participants still enrolled in high school and instead must wait until the individuals have graduated. Practitioners note that waiting until a student completes high school risks the student becoming disconnected from resources and makes it difficult for trainers to engage young people after graduation.
    - Workforce funding cannot typically be used for communications, marketing (e.g., radio ads), and awareness-building to recruit participants. These activities are critical for targeting benefits to historically marginalized communities.
    - Funding cannot be used to support the range of support services such as childcare that trainees need for their success during trainings and after their job placement.
  - On the demand side, industry should offer paid internships and other learning experiences for students with underrepresented backgrounds (or incentives should be developed in support of this concept). Students with underrepresented backgrounds in the region's growth industries continue to face barriers to accessing paid internship experiences, which are critical to applying their skills and unlocking future job opportunities. CSUs, community colleges, and universities in the Inland Empire should be seen by employers as sources from which to recruit bright, skilled talent.
  - As industries adopt new technologies and practices that support a greener economy, workforce development should also be emphasized through relevant educational and training opportunities. There is a need to "future proof" our workforce training.
  - There is a lack of programs and partnerships that connect students of color to career pathways in real estate development, and generally urban planning, and policy. Curriculum can be developed for any level of education to expose children to these careers and create familiarity with the pathways for realizing those careers. This also goes for STEM – exposing students to

STEM coursework and career pathways and building students' critical thinking and problem-solving skills are key to readying future generations for jobs and opportunities with economic mobility.

- o Pairing on-going wrap around services with workforce training and placement programs helps participants' longer-term success. Earn and Learn programs offer a promising model to connect people to opportunities in the workforce. Similarly, for youth, it is important to provide services that can address their mental health and mentorship needs, amongst others. Programs that incentivize targeted hiring via subsidies, when done well, can create lasting benefits for businesses and workers.
    - Example: LA RISE (https://ewddlacity.com/index.php/employment-services/la-rise)
- o New and innovative apprenticeship programs need to be offered for industries outside of the traditional trades.
    - LAUNCH Apprenticeship Network in the Inland Empire focuses on industries like cybersecurity. The program bridges community colleges, K-12 school districts, and workforce providers to employers interested in the apprenticeship model.

- Education
    - o In general, the importance of a college education must be stressed early on, and access to financial aid, grants, and support is required for lower income communities.
    - o There needs to be greater awareness and understanding of career technical education as a viable alternative to a four-year degree. Community colleges are key in connecting community members to industry recognized workforce credentials, and can offer important resources for improving the region's workforce readiness to support a greener economy.
        - Example: Understanding that some people want to be trained and begin working quickly, Imperial Valley College began offering fast track training programs for certain career paths such as nursing and welding. (https://www.imperial.edu/landings/nursing-fast-track.html)
    - o UCR, UCI, and CSULA are top schools in the country for upward social mobility. Their successes and best practices should be celebrated and learned from by other educational institutions across the region.

- Broader Access to Resources
    - o Awareness and understanding of entrepreneurship pathways and opportunities in growth industries need to be cultivated in underrepresented communities. Systemic changes, such as universal healthcare, can reduce the barriers to entry for low-wealth individuals, who are otherwise likelier to seek traditional employment opportunities that offer steady income and benefits such as healthcare.
        - The lack of key social safety nets stifles our region's innovation and prevents low-income communities from pursuing wealth-building entrepreneurship opportunities.
    - o Employers are generally unaware of the various job creation incentives and training programs available to them locally or at the state level. For employers who are aware of available programs, the programs are often difficult to access and navigate.
    - o Tribal communities continue to be overlooked for resources to meet their needs. In addition, greater investment needs to be made in relationship-building with these communities.

- Other
  - The growing gig economy is transferring costs, such as providing basic benefits, from the employer to the employee without ensuring commensurate compensation.
  - People who can work remotely can be recruited to work for firms outside the region. This is an opportunity and threat to local employers who must compete for a local workforce, while also providing access to a wider talent pool from outside the region.
  - Worker voice and union membership contribute to a growing middle class.
  - Guaranteed income programs (a targeted version of Universal Basic Income that provides direct and recurring cash payments to eligible families) are gaining traction and are seen as a meaningful social safety net for low-income families.
    - In the SCAG region, the mayors of Compton, Long Beach, Los Angeles, and West Hollywood have all joined the Mayors for Guaranteed Income efforts, which advocates for and advances the policy model.
    - Example: The City of Santa Monica's Preserving Our Diversity program is piloting a guaranteed income model that targets long-time elderly residents in rent-controlled units. (https://www.santamonica.gov/housing-pod)
  - Little can replace the impact potential of trusted nonprofit and community organizations. Funders saw this most recently take shape in the need to distribute CARES act funding to local stakeholders.

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Focus Area	FOCUS AREA: HUMAN CAPITAL — Recommendations	SCAG's 5 LEVERS FOR ACTION — Data	Policy Advocacy	Convenings/Presentations	Technical Assistance	Funding
	SCAG is actively pursuing with existing resources					
Workforce	Join the state in **advocating for a federal jobs guarantee**. This will allow government to serve as a back-stop in case industry does not create high quality jobs to meet its workforce needs. This is in alignment with the State's March 2021 Future of Work report.		X	X		
Workforce	**Bring greater awareness of workforce development resources** (including youth training programs, ETP funds and various commuity college programs) for employers.			X		
Transportation	Support the efforts of CalTrans, CALSTA and CCJPA to implement the California Integrated Travel Program (Cal ITP) which would, among other benefits, create a universal statewide transit benefit platform that can also serve as a basic account for other public benefits for California' most in need; in short, its a universal income verification system that will create a one-stop shop for low income households to qualify for a host of benefits.	X	X			
Workforce	Work with transit agencies to **facilitate the adoption of the US Employment Plan to create high road local jobs** through future equipment and supply procurement. Example: Metro's use of USEP on eight contracts since 2011 (https://jobstomoveamerica.org/resource/u-s-employment-plan-2/)		X	X		
Focus Area	**Recommendations**	**Data**	**Policy Advocacy**	**Convenings/ Presentations**	**Technical Assistance**	**Funding**
	SCAG could pursue with partners and additional resources (staff and funding)					
Human Capital	**Support the State's effort to develop a California Job Quality Index (JQI)** by serving as the lead data and research partner for the Southern California region.	X		X		
Human Capital	Facilitate **regional coordination to ensure the region's childcare industry is prepared to utilize federal funding** being provided through the American Rescue Plan Act. Partner with organizations like LIIF to expand the childcare industry's capacity and advocate for supportive policies. (https://www.liifund.org/news/post/23-million-dedicated-to-child-care-relief/)	X	X	X		
Workforce	Work with the construction trades and the developer/building industry to identify best practices in construction apprenticeships and training programs and facilitate expansion/application of these practices in housing, transportation and infrastructure projects.	X		X		
Focus Area	**Recommendations**	**Data**	**Policy Advocacy**	**Convenings/ Presentations**	**Technical Assistance**	**Funding**
	Additional recommendations where SCAG could support a collaborative partner					
Workforce	Working with key partners such as workforce development organizations, economic development corporations and community colleges, provide **awareness building and technical assistance to local and county governments to establish job training and placement programs that connect residents from low-income neighborhoods to public sector jobs**. CASE STUDY/Example: WERC PLACE Program (https://werctraining.org/currentprograms/)			X	X	X
Workforce	Identify state and federal level opportunities to **advocate for updates to critical workforce development funding guidelines to address challenges experienced by workforce program administrators.** Advocacy should seek to expand youth eligibility for criteria to include current students, ensure that funding can be used for various outreach and advertising activities that are key to reaching target populations, and expand the type of wrap services and supports program participants can receiving during and after training.	X	X			X
Human Capital	Conduct targeted engagement to **better understand the unique needs of Indigenous communities** in Southern California and work with philanthropic and public sector partners to address the communities' identified needs.	X		X		X
Workforce	Work with key partners to advance workforce development that can support a greener economy, including the potential deployment of microgrids, zero net energy implementation strategies, and renewable energy generation and storage.					