

California Jobs First: Regional Investment Initiative Annual Report – December 31, 2023

Table of Contents

Executive Summary	3
Regional Investment Initiative Objectives	4
Annual Summary of Awards	5
Planning Phase	5
Summary of Awards:	6
Program Evaluation	8
Summary of Award:	8
Economic Development Pilot Projects	9
Summary of Awards:	9
Tribal Funding Opportunity	14
Catalyst Program	15
Implementation Phase	15
Fiscal Compliance	16
Reporting and Invoicing	16
Program Metrics	16
Metrics	16

Executive Summary

In 2021, the Labor and Workforce Development Agency (LWDA), the Employment Development Department (EDD), the Governor's Office of Planning and Research (OPR), and the Governor's Office of Business and Economic Development (GO-Biz) began collaboration efforts for the implementation of the SB 162 (Committee on Budget & Fiscal Review, Chapter 259, Statutes of 2021) program. This program aims to deliver a sustainable and equitable recovery from the economic distress of COVID-19 and other macroeconomic impacts such as global transition to carbon neutrality. The program provides financial support to establish and support regional collaboratives in designing region and industry-specific economic recovery and transition strategies that help diversify regional economies and develop or expand environmentally sustainable industries that create high-quality, broadly accessible jobs for all Californians. The Inter-Agency Leadership Team was formed to collaborate on a wide range of activities related to the management, design, oversight, and administration of the program. Throughout the life of the program, the Inter-Agency Leadership Team will participate in regularly scheduled reporting meetings to discuss stakeholder input, agendas, policy recommendations and program guidelines.

Each agency is tasked with a different responsibility ranging from grant administration, program design, and technical assistance. Below are brief descriptions of the responsibilities of each agency:

- **Inter-Agency Leadership Team:** The Inter-Agency Leadership Team is responsible for planning, oversight, and decision-making for the program.
- **The Labor and Workforce Development Agency:** LWDA provides oversight to ensure that program and evaluation objectives remain in alignment with labor and workforce development objectives.
- **The Employment Development Department:** EDD is responsible for the management and execution of all grants and contracts, including the administration of and accountability for the Planning Phase, Pre-Development Phase, Implementation Phase, Evaluation, and Technical Assistance grants.
- **The Governor's Office of Planning and Research:** OPR supports the Inter-Agency Leadership Team in soliciting stakeholder feedback in the design and operations of the program. In addition, OPR is responsible for providing technical assistance, intended to support and guide

processes and deliverables for the Planning Phase, Pre-Development Phase, and Implementation Phase.

- **The Governor's Office of Business and Economic Development:** GO-Biz provides support with outreach, technical assistance, and capacity building on behalf of the Inter-Agency Leadership Team. Collaboration across regions will be required to collectively create a more resilient statewide economy that brings equal opportunities to every region.

During calendar year 2023, the Inter-Agency Leadership Team adopted a new brand for the program to ensure that all Californians understand the intent of the program. This program, formerly known as the Community Economic Resilience Fund (CERF), is now known as the Regional Investment Initiative within the California Jobs First portfolio.

The Regional Investment Initiative made significant strides in advancing economic development with a core focus on fostering equity and sustainability within California. Through this program, the state emphasized a bottom-up approach, engaging diverse communities and stakeholders in the planning process to ensure regional representation. This approach will facilitate the identification of specific regional needs and priorities, enhancing the effectiveness and relevance of the program. The 13 Jobs First Collaboratives are expected to complete Part 1 of their Regional Plan by the end of 2023. Part 1 will present a snapshot of socio-economic conditions in the region, which will be utilized in the development of the regional forward-looking economic transition roadmap. Looking ahead, the program is committed to continuing to build upon the success of the program and further advance economic development in California. The Inter-Agency Leadership Team released a closed-solicitation for \$182 million for the [Catalyst Program](#), which seeks to invest in pre-development activities, enabling regions to develop projects and maximize investment opportunities while reserving implementation funds for ready-to-go projects. Program performance metrics are also in development and are expected to be completed in early 2024.

Regional Investment Initiative Objectives

The objective of the program is to build an equitable and sustainable economy across California's diverse regions and foster long-term economic resilience in the transition to a carbon-neutral economy. To achieve this objective, the program includes a focus on investments that target equitable economic outcomes for workers. The means by which aims to achieve this objective is through regional and worker-centered inclusive economic planning, while aligning with and leveraging state investments (e.g., High Road Training Partnerships, infrastructure investments, community capacity building programs),

federal investments (e.g., Economic Development Administration's Building Back Better Regional Challenge), and philanthropic and private-sector investments to maximize COVID-19 recovery efforts.

As part of the Planning Phase, the Jobs First Collaboratives will implement transparent and inclusive processes to advance long-term prosperity and equity, work directly with the Regional Climate Collaboratives Program where applicable, and include balanced representation from labor, business, community, government, and other stakeholders, including, but not limited to, economic development, philanthropy, education, and workforce partners. Together, these partners will form their respective collaborative to engage in strategic planning for economic resilience and equitable pathways to high road opportunities and the development of their Regional Plan. Regional Plans will be based on actionable research in partnership and shared decision-making with communities and in consultation with expert institutions, with a focus on the program objectives of equity, sustainability, job quality, economic competitiveness, and resilience. Analyses and plans must account for sub-regional and inter-regional dynamics. The plans must also build on existing regional and/or subregional economic development plans and strategies as appropriate. The Regional Plan includes two parts. Part 1 presents a snapshot of socio-economic conditions in the region: mapping stakeholders, providing a regional summary, and conducting analyses. Part 1 is due December 31, 2023. Part 2 establishes a forward-looking economic development and transition roadmap using the information obtained in Part 1, and Part 2 is due June 30, 2024.

Annual Summary of Awards

Planning Phase

Funding Availability: \$65 million

Total Awarded: \$65 million

Number of awards: 13

During the Planning Phase, the program provided \$5 million planning grants per region in 13 regions for a total of \$65 million in planning grants. The collaboratives are composed of an administrative Fiscal Agent, a Regional Convener, and a wide range of diverse partners reflecting the diversity of each region. Planning grants are administered jointly by the Fiscal Agent and/or Regional Convener.

The collaboratives will 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; and generate systemic change and economic resilience. The success of the collaboratives in building inclusive planning tables depends on various factors, including the following:

- **Meaningful engagement:** The ability of the collaboratives in informing, engaging, and empowering diverse communities, especially disinvested communities.
- **Partnerships:** The ability of the collaboratives in building effective partnerships that can positively influence the implementation of their proposed investments and projects.
- **Capacity building:** The ability of the collaboratives in developing social infrastructures for inclusive regional planning processes and building cross-regional collaborations.

Summary of Awards:

In the 2022 legislative report, two regions out of the 13 were pending awards. Since the submission of the report, the last two regions have been awarded. The project descriptions in this section were composed by the applicants but have been slightly modified for clarity, where applicable.

1. Inland Empire – Award – \$5,000,000

Applicant:

Fiscal Agent: Inland Empire Community Foundation

Regional Convener: Inland Economic Growth & Opportunity & Inland Empire Labor Institute

Project Description:

The It Takes a Region to Create Change is a culmination of an open, regionwide planning process that builds off the work of a multisector collaboration of partners seeking to build a more prosperous future for all in the Inland Empire.

The Inland Empire is California's fastest growing region and is the 5th fastest growing metropolitan region in the United States. It is a region of 4.6 million people— of which 1 million are immigrants, over half of whom are Latino, and

two-thirds are Black, Indigenous, and People of Color (BIPOC). The region is expected to grow to 7 million people in less than 30 years. Our work is centered on disrupting historic power dynamics where decisions have been made without meaningful community voice and reestablishing ownership for disinvested and BIPOC communities.

With over 100 partners, we have built the largest collaborative focused on advancing inclusive economic development in Inland Empire history. This group, called the Inland Empire Jobs First Collaboratives will include an Inclusive Planning Council with three ports of entry for meaningful engagement: Subregional Tables, Committees, and Equity Councils. Our Equity Councils focus on the needs of key populations such as women, youth, workers and tribal communities, and on critical issues affecting prosperity for all like Racial and Social Justice, Justice Reform and Environmental Justice. The collaborative will also focus on identifying transformative regional projects needed to do economic development differently by elevating new voices and growing new jobs in opportunity industries such as Green Energy and Technology, Advanced Manufacturing, Sustainable Logistics, Arts/Digital Media, Cybersecurity/Information Technology and more. The Inland Empire Community Foundation is the Fiscal Agent. Inland Empire Labor Institute and Inland Economic Growth & Opportunity will share co-convening responsibilities. Together, the team will lead the region on an unprecedented process towards shared prosperity for all based on our shared goals of equity, accountability, innovation, and sustainability.

2. Southern Border – Award – \$5,000,000

Applicant:

Fiscal Agent and Regional Convener: San Diego State University (SDSU)

Project Description:

The Southern Border Jobs First Collaborative's vision and goals are based on five critical tenets: Equity, Sustainability, Job Quality, Economic Competitiveness, and Economic Resilience. The collaborative will create an inclusive and transparent process for Regional Plan development to ensure that community voices are centered in the process from the start and that there is a clear structure for deep community engagement throughout the process. The collaborative's framework for developing a shared vision and taking collective action has three elements: Listening for core needs via broad and sustained

outreach; elevating promising ideas and aligning complementary programs and initiatives; and advancing community developed and supported projects.

Program Evaluation

Funding Availability: \$3.75 million

Total Awarded: \$3.3 million

Number of awards: 1

The Program Evaluator, in collaboration with the Inter-Agency team, will lead on evaluating the planning and implementation phases of this program. The evaluator is expected to serve as a learning partner and provide data-driven recommendations to inform the decisions of the Inter-Agency Leadership Team and the California Jobs First Collaboratives. The outputs of the evaluation will inform adaptations, shifts, and recommendations as new lessons emerge with the goal to support real-time feedback and learning.

The remaining grant funds marked for program evaluation are being held in reserve in case the contract with the chosen Program Evaluator is extended to December 2026 and an additional round of data collection is required. In that case, the contract value for the chosen Program Evaluator will be increased to \$4.75 million.

Summary of Award:

The project description in this section was composed by the applicants but has been slightly modified for clarity, where applicable.

1. Program Evaluation – Award - \$3,326,107

Applicant:

The Mark USA, Inc.

Project Description:

The Mark USA, Inc. (The Mark) is an innovative minority-owned, woman owned business with 15 years of experience designing and implementing evaluation frameworks for over 900 projects across government, academia, business, and community-based organizations. The Mark will combine its leadership in inclusive, culturally sensitive, equity-based evaluation approaches with the 25 years of experience in participatory planning and economic and workforce development of the University of Southern California Center for Economic Development, a U.S. Department of Commerce, Economic Development

Administration University Center. The Mark Team will provide a system-wide program evaluation of the program.

The Mark Team will use the Theory of Change as a framework for the program evaluation within a Developmental Evaluation approach. Theory of Change is a methodology for planning, participation, adaptive management, and evaluation used to promote social change. It explains how a given intervention or set of interventions are expected to lead to a specific change.

Developmental Evaluation offers a powerful approach to monitoring and supporting social innovations by working in partnership with program decision makers. The Mark Team will partner with the California Jobs First Collaboratives and the Inter-Agency Leadership Team to conduct workshops to develop Theories of Change and collect data to provide feedback for timely decision-making on the development of plans and implementation activities. A web-based platform will facilitate data collection along with community- and equity-based participatory methods. The evaluation will include both process evaluation to monitor the quality of the program content and implementation, and outcome evaluation to assess the effectiveness of the program.

Economic Development Pilot Projects

Funding Availability: \$50 million

Total Awarded: \$39.1 million

Number of Awards: 8 projects

The Economic Development Pilot Projects fund projects that align with the values of the program and that demonstrate potential uses of implementation funds. The Economic Development Pilot will fund a total of eight projects that emerged from existing regional processes or plans and are ready for implementation. The pilot projects serve as proof of concepts for emerging industries and projects statewide that advance California's climate goals and create high quality jobs. While \$50 million was set aside for pilot projects, only \$39 million was awarded due to the strict qualifying criteria. To address the gap in qualifying projects, the Regional Investment Initiative Program will provide specific funding for pre-development activities over the next several months.

Summary of Awards:

The project descriptions in this section were composed by the applicants but have been slightly modified for clarity, where applicable.

1. Alchemist Public Market – Award - \$7,898,506

Applicant:

Alchemist Community Development Corporation (Alchemist CDC)

Project Description:

Alchemist Public Market is a project in Sacramento's emerging River District that will build a pipeline for under-served entrepreneurs to start new food businesses, provide workforce development for workers with high barriers to employment, create an attractive and energetic community gathering place, and offer access to quality food and produce from local producers. The all-electric campus will include a shared-use incubator kitchen, a social enterprise café, a retail store featuring products from small Sacramento makers of goods and grocery staples, and a co-working office. It will also be home to eight small incubator restaurants with a shared outdoor food court, ample shade structures, a weekly farmers' market, an inclusive playground, outdoor patio space, and more. The project will serve as an engine of equitable, inclusive economic development and a public gathering place abounding with retail, while filling a vital role in commercial anti-displacement strategy.

2. Walnut-Daisy Urban Farm – Award - \$3,802,367**Applicant:**

Cooperacion Santa Ana

Project Description:

The Walnut-Daisy Urban Farm pilot project will develop an urban micro-farm for BIPOC farmers, a cooperative cafe and an artisan shop, a community gathering space with outdoor seating and a stage, as well as an office and a marketplace for local produce and value-added items sold by local, BIPOC-owned micro-enterprises, including worker-owned cooperatives. The micro-farm will be developed in an “environmental justice” community, on a plot of land that is held by THRIVE Community Land Trust which aims to pilot community stewardship of land, based on direct participation of residents and sustainable economic development that meets the needs and vision of local residents.

3. NOYO Harbor Revitalization Plan – Award - \$3,203,872**Applicant:**

Noyo Harbor District

Project Description:

The Noyo Harbor Revitalization Plan was submitted by the Noyo Harbor District. This project will fund the development of a new ice facility and the Entrepreneurial Marine-Based Training Program & Community Fish Market. The development of a new ice facility will help stabilize and retain over 300 deckhand/captain, processor and shipper jobs in the Harbor, and transition 100 jobs to higher wage positions. The Entrepreneurial Marine Based Training Program & Community Fish Market will work to foster job creation, skill development, and improve job quality and access to capital for commercial fishers. This program would provide small business owners and emerging entrepreneurs with skill development and opportunities for revenue generation, peer-to-peer learning, and community partnerships to grow and expand their businesses. The establishment of a consistent and robust community fish market will act as an incubator to allow businesses to experiment with the new skills, tools and processes they acquire during training and mentoring.

4. PACE Green Loan Fund – Award - \$5,000,000

Applicant:

Pacific Asian Consortium in Employment Finance Corp (PFC)

Project Description:

Pacific Asian Consortium in Employment is a non-profit organization that creates economic solutions to meet the challenges of employment, environmental justice, business development, education, and affordable housing. For almost fifty years, more than 1.4 million individuals have come to the Pacific Asian Consortium in Employment seeking a guiding hand to obtain a job, start their own business, improve their financial literacy, assure their children's success, and create a better quality of life for themselves and their community. As a community development financial institution, Pacific Asian Consortium in Employment will launch the Green Loan Fund to promote the creation and expansion of green businesses in the Los Angeles region with objectives of solving the climate crisis and economic inequality. The Green Loan Fund is a revolving loan fund that will assist approximately 20 green companies in the Los Angeles region with loans ranging from \$25,000 to \$500,000. The flexible financing will provide entrepreneurs with working capital and/or growth with particular focus on providing high quality jobs. Pacific Asian Consortium in Employment has a successful track record in providing access to capital to minority and marginalized entrepreneurs as an award-winning Small Business Administration Women's Business Center, SBA Microlender, SBA Community Advantage Lender, the only U.S. Department of Commerce Minority Business

Development Agency Business Center in Southern California and one of two City of Los Angeles Business Source Centers. The Green Loan Fund will assist green businesses committed to Governor Newsom's goal of achieving a carbon-neutral and climate-resilient economy. Equally important, the loan fund will prioritize businesses that improve the economic resiliency in disinvested communities by creating high quality jobs and/or improving environmental conditions.

5. Integrating Innovation and the North State's Working Landscape – Award - \$2,145,000

Applicant:

Siskiyou Economic Development Council

Project Description:

Integrating Innovation and the North State's Working Landscape will fund final construction costs to rehabilitate Yreka's Carnegie Library Building and convert it into a community-driven business and industry innovation hub to serve our regional working landscape sectors. The program will support the Siskiyou Economic Development Council and Shasta Economic Development Corporation in their missions to advance the North State's working landscapes industries via programming, planning, and technical expertise which will help agriculture, outdoor recreation tourism, and wood sectors develop new products, create high-road jobs, cross-collaborate, and develop climate resiliency practices. Thus, Integrating Innovation and the North State's Working Landscape is a model for equitable investment in severely disadvantaged communities.

6. Bioeconomy, Agriculture, and Manufacturing Initiative – Award - \$3,602,786

Applicant:

Stanislaus Business Alliance, Inc d.b.a. Opportunity Stanislaus

Project Description:

The Bioeconomy, Agriculture, and Manufacturing Initiative is a cross-sector collaboration to advance the circular bioeconomy in the North San Joaquin Valley, with a focus on growing a bioindustrial manufacturing industry cluster that will generate inclusive access to family sustaining jobs across the region. The

Initiative will advance equity in the North San Joaquin Valley through the expansion of job quality and access, with specific focus on reducing barriers to entry among disinvested communities; accelerate bio-based innovations in sustainability that will propel the transition to a carbon-neutral and climate-resilient economy; improve the region's economic competitiveness through the development of a new industry cluster and vibrant innovation ecosystem; and foster economic resilience via diversification of our local industry base into a growing global sector that complements the region's strengths in food and agriculture.

7. High Roads to Good Jobs and Prosperity in the Central Valley – Award - \$10,000,000

Applicant:

United Way Fresno and Madera Counties

Project Description:

We envision an inclusive economy that fosters long-term economic resilience for the most disinvested community members throughout the Central San Joaquin Valley (Fresno, Madera, Tulare, and Kings). The objectives of this program are as follows: Provide high road pathways to thousands of quality good jobs that meet labor standards (including renewable industry employment pathways toward a carbon-neutral economy). This includes job training for more than 1,434 participants. Advance entrepreneurship and access to capital through business technical assistance and accelerator programs to hundreds of minority business owners to a minimum of 210 entrepreneurs receiving business education and access to capital. Promote and advance organizations working to provide coordinated, social safety net referrals to remove barriers to economic opportunity streamlining historically piecemeal services and accelerating economic equity. More than 40,000 safety net community referrals with over 2,000 based on need for a personalized referral for whole person care to ensure people can remove barriers that prevent their participation in workforce development, education, or training. Provide digital infrastructure in priority communities focused on those digitally disinvested and in affordable housing areas. Expanding and augmenting digital access: the State Center Community College District will extend upon the Fresno Unified School District investment in a LTE fiber internet network that will cover 80% of Fresno Unified School District; the State Center Community College District investment in a LTE fiber internet network for two of its campuses will simultaneously support education and workforce students and impact up to 30,000 residents, with 700 residents in a

multi-dwelling affordable housing complex taking part in a demonstration project impacted immediately. High speed fiber internet connectivity for residents will catalyze future development.

8. Latino Workers and Entrepreneurs Resiliency Pathway – Award - \$3,496,179**Applicant:**

Ventures

Project Description:

Latino Workers and Entrepreneurs Resiliency Pathway, which includes Ventures' Familias con Mas financial capability model, which prioritize financial education and individual coaching as foundational stepping stones for underserved communities in San Benito, Santa Cruz, and Monterey counties. Supplementing FcM, El Pajaro CDC's revolving loan program will support members of the target community to start cooperative businesses and engage in a sustainable, strong recovery after the devastation of COVID-19. Ventures and the El Pajaro CDC will conduct the following activities: annually serve 500 working-class Latinos who will attend in-person classrooms, web-based workshops, and individual coaching that focus on predatory lending, budgeting, credit/debt, and banking. Participants will gain knowledge about credit building and entrepreneurship to further financial goals and awareness of other programs. Educational outreach on cooperative development, including in homecare and climate related industries and related market and business feasibility studies. El Pajaro CDC will support the project with its Emprasari@ business incubation program, which offers lower-resourced startup companies assistance in establishing and raising capital for their businesses, with specialization in childcare, food industry, and other sectors. Supporting these companies as well as community members that participate in Ventures services, El Pajaro CDC will offer a \$1,500,000 revolving loan fund that will provide capital to eligible and identified program participants over the two-year grant period (\$750,000 per year, on average).

Tribal Funding Opportunity

Funding Availability: \$25 million

Number of Awards: 1

The Tribal Funding Opportunity sets aside \$25 million of funding to support tribal-led economic planning and implementation in tribal communities.

The Inter-Agency team closed the solicitation through EDD for a Tribal Intermediary. The EDD on behalf of the Inter-Agency team will release a request for proposal, contract for services in January of 2024. The Intermediary will partner with the Inter-Agency team to develop and implement the Tribal Funding Opportunity. The Intermediary will work with the state to develop guidelines for the tribal funding opportunity, conduct outreach to California Native American tribes and tribal communities, provide technical assistance to prospective applicants, and develop a scoring process to recommend projects for funding.

Award announcement is expected in the Spring of 2024.

Catalyst Program

Funding Availability: \$182 million

Number of Awards: 13

Through Planning Phase, regions are building collaboratives that will develop a clear vision for the region's economic future. The plans that emerge from the collaboratives will incorporate equity, environmental justice, and public health, and will put workers and communities at the center of each region's economy.

To ensure the program effects systemic changes in regional economies, the Catalyst Program will provide funding for each region to bridge the gap between planning regional economic development strategies and implementing projects designed to achieve outcomes that align with those strategies. Catalyst funds will support the collaboratives to invest in pre-development activities, enabling regions to develop projects and maximize investment opportunities while reserving implementation funds for ready-to-go projects.

Each region's Fiscal Agent, on behalf of the collaborative, will be eligible to apply for funds from the Catalyst Program. The closed solicitation was released on September 1, 2023, and will close on November 30, 2023.

Award announcement is expected in late 2023.

Implementation Phase

During the Implementation Phase (2023-2026), the Regional Investment Initiative will fund an estimated 40 implementation projects on a rolling basis identified during the planning phase based on criteria such as demonstrated community support, alignment with state climate goals, and demonstration of labor

standards and job quality. Implementation Phase solicitation and detailed criteria will be released in 2024.

Fiscal Compliance

In accordance with Section 11019.1 of the Government Code, the Inter-Agency team provided an Advance Payment option to community-based non-profit organizations or a Native American tribe. The Advance Payment option aims to reduce barriers in participating in the Regional Investment Initiative. Applicants may apply to receive up to 25 percent of their total grant award through an Advance Payment option. During the Planning Phase solicitation, the Inter-Agency team received and approved six requests for Advance Payment.

EDD is currently in the contracting process for the awards related to the Economic Development Pilot Projects (total award amount: \$39 million). During the Economic Development Pilot Projects solicitation, the Inter-Agency team received and approved five requests for Advance Payment. At this time, we anticipate these contracts to be in place by the end of 2023.

Reporting and Invoicing

The fiscal agent will prepare and submit financial reports on a monthly basis for reimbursements, or as requested, in formats prescribed by the Employment Development Department. At a minimum, each entity will be required to provide the total amount of funds available for each budget category, and monthly program deductions (e.g., payments to subcontractors, participant compensation). In addition to submitting monthly reports, the Inter-Agency team meets with each Fiscal Agent on a monthly basis to discuss the program deliverables.

Program Metrics

Metrics

In collaboration with the leadership team and the collaboratives, the evaluator will lead the design and implementation of the evaluation plan for the planning and implementation phases. The evaluator is expected to serve as a learning partner and provide data-driven recommendations to inform the decisions of the Inter-Agency Leadership team and the collaboratives. The program evaluation will examine the Regional Investment Initiative theory of change – the inputs provided by the State (funding, technical support, coordination), the outputs (quality of the collaboratives and their regional economic plans), and

the outcomes (such as job quality and access for workers; climate-smart industry development; sustainability of funding).

The Program Evaluator, The Mark, in collaboration with the Inter-Agency team and the regional collaboratives, will lead the design and implementation of evaluating the planning and implementation phases. Recommended performance metrics that align with the program performance measures, goals, and objectives are currently in development. The Inter-Agency team expects to have performance metrics by early 2024.



STATE OF CALIFORNIA

LABOR & WORKFORCE DEVELOPMENT AGENCY

EMPLOYMENT DEVELOPMENT DEPARTMENT