



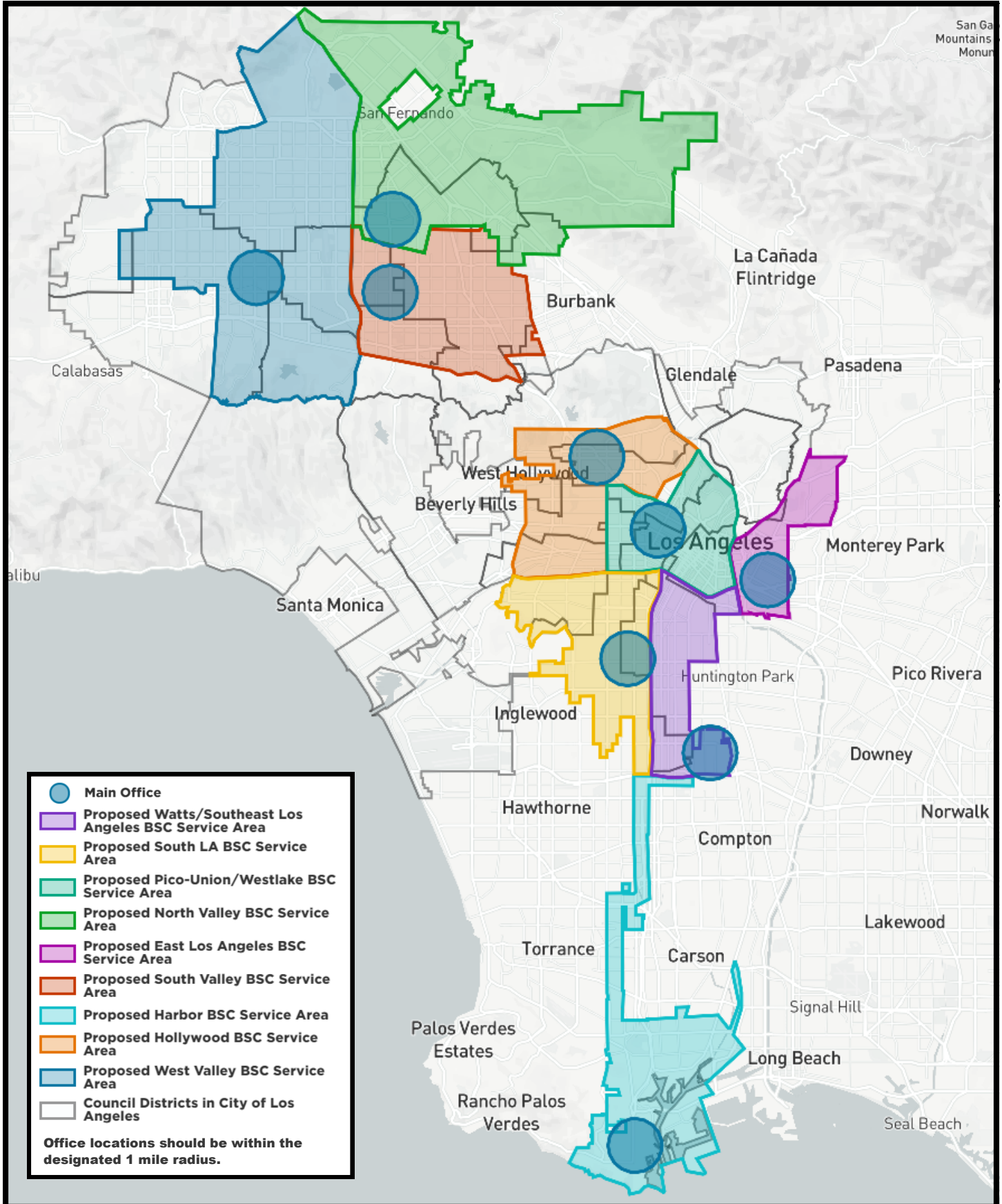
SUBJECT: JUSTIFICATION FOR NEW BUSINESSSOURCE CENTER SERVICE AREAS

The Los Angeles BusinessSource Center (BSC) program is undergoing a program redesign which includes redefining the target services areas. The BSC program will provide various levels of assistance to eligible, for-profit businesses operating in the City of Los Angeles and residents of the City of Los Angeles aspiring to open their own business. After taking in consideration the City’s poverty rate, existing small businesses, persons in low- and moderate-income households, Opportunity Zones, Promise Zones, and the target areas addressed in the Citywide Economic Development Strategy (CEDS), the nine following service areas are proposed, sorted with number 1 representing the area identified as having the greatest need:

BSC Service Area	Neighborhoods	Council Districts
1. Watts/Southeast Los Angeles	Watts, Green Meadows, Broadway-Manchester, Florence, South Park, Historic South Central, Central-Alameda	8, 9, 15
2. East Los Angeles	Lincoln Heights, Boyle Heights, El Sereno	1, 14
3. Pico Union/ Westlake	Pico Union, Westlake, Downtown, Chinatown, Echo Park, Rampart Village, Koreatown, Harvard Heights	1, 4, 13, 14
4. South Los Angeles	West Adams, Jefferson Park, Adams-Normandie, University Park, Baldwin Hills/Crenshaw, Leimert Park, Exposition Park, Vermont Square, Hyde Park, Chesterfield Square, Harvard Park, Vermont-Slauson, Manchester Square, Vermont Knolls, Gramercy Park, Vermont Vista	8, 9, 10
5. Harbor	Harbor Gateway, Harbor City, Wilmington, San Pedro	15
6. South Valley	Van Nuys, Valley Glen, North Hollywood, Sherman Oaks, Valley Village, Studio City, Toluca Lake	2, 4, 6
7. North Valley	Sylmar, Mission Hills, North Hills, Panorama City, Arleta, Pacoima, Lake View Terrace, Hansen Dam, Sun Valley, Shadow Hills, Sunland, Tujunga	6, 7
8. Hollywood	Hollywood, East Hollywood, Los Feliz, Silver Lake, Fairfax, Hancock Park, Larchmont, Windsor Square, Mid-Wilshire, Koreatown, Harvard Heights, Arlington Heights, Mid-City	4, 5, 10, 13
9. West Valley	Northridge, North Hills, Reseda, Lake Balboa, Tarzana, Encino, Sepulveda Basin, Canoga Park, Winnetka, Porter Ranch, Granada Hills	3, 5, 6, 12

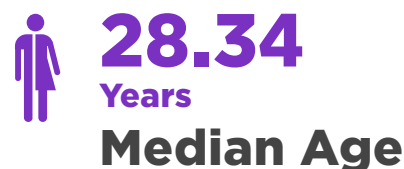
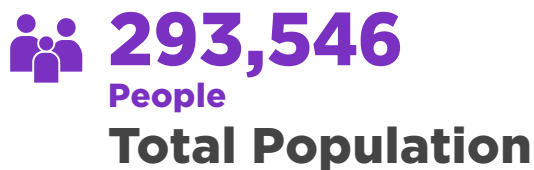


Proposed BusinessSource Center Service Areas and Office Locations



1. Watts/Southeast Los Angeles Region

The Watts/Southeast Los Angeles service area will cover the neighborhoods of Watts, Green Meadows, Broadway-Manchester, Florence, South Park, Historic South Central, Central-Alameda, and Council Districts Eight, Nine and Fifteen. The main office will be located in the Watts neighborhood. The service area is within the South Los Angeles targeted area as defined in the CEDS. The total population of the service area is 293,546 and 97,827, or 33%, are living in poverty. Approximately 237,772, or 81%, of the residents are in low- and moderate-income households. There are 15,787 active businesses within the service area. There are currently 20 Opportunity Zones established in the service area which is about 31% of the total census tracts. The South Los Angeles Promise Zone, otherwise known as the South Los Angeles Transit Empowerment Zone or Slate-Z, is partially located within this service area. The Watts area, in particular, has been showing a lot of progress over the past few years with projects like the Transformative Climate Communities (TCC) Grant and is in much need of the services the BSC program can offer to their residents.

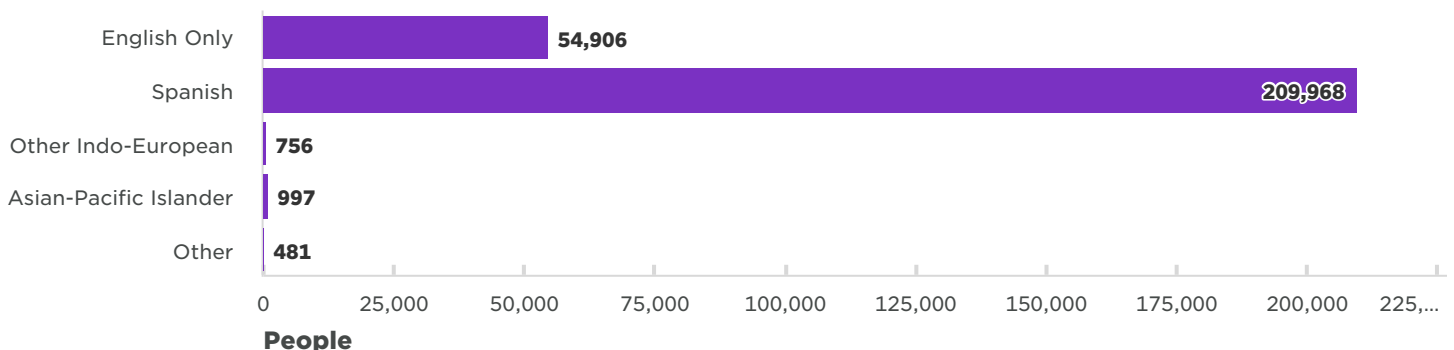


Sources: US Census ACS 5-year



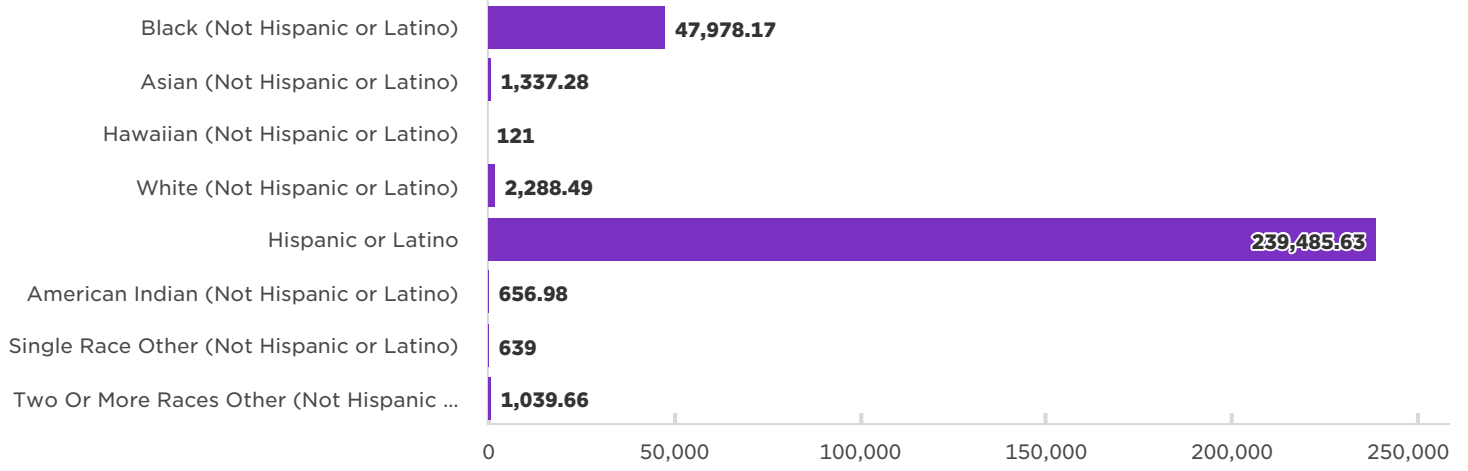
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home

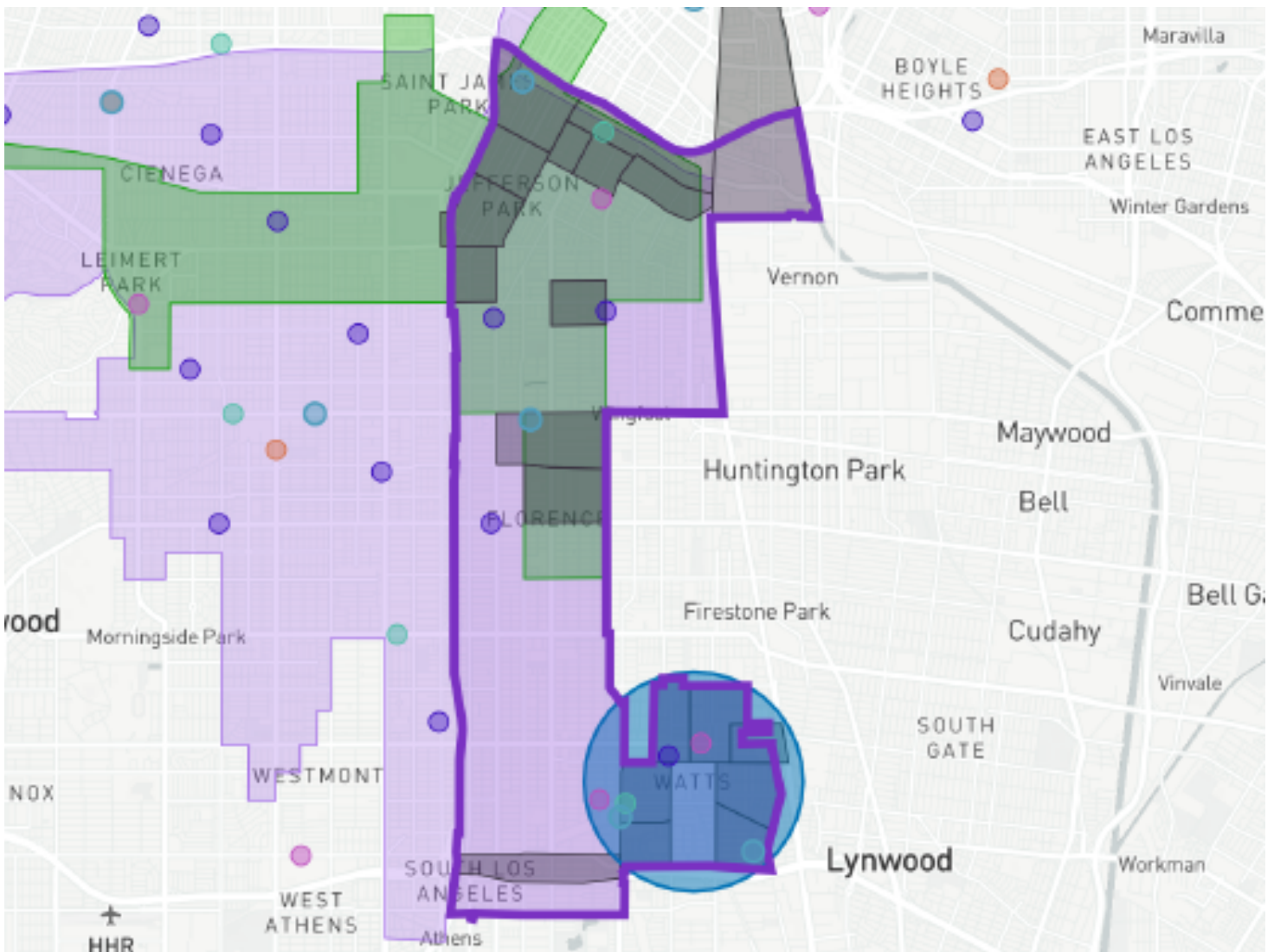


Sources: US Census ACS 5-year

Race/Ethnicity Totals



Sources: US Census ACS 5-year

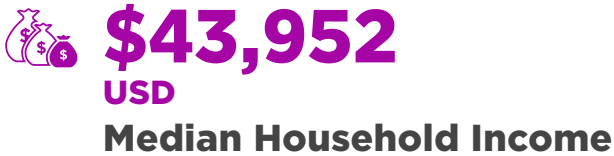
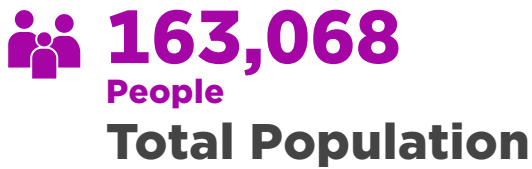


- Current WorkSource Centers
- Current YouthSource Centers
- Current FamilySource Centers
- Current BusinessSource Centers
- City Of LA Libraries
- Neighborhood City Halls and City Council District Offices

- Proposed Watts/Southeast Los Angeles Region
- Watts Main Office
- Opportunity Zones
- South Los Angeles Promise Zone "Slate-Z"
- CEDS Focus Area: South Los Angeles

2. East Los Angeles Region

The East Los Angeles service area will cover the neighborhoods of Lincoln Heights, Boyle Heights, El Sereno, and Council Districts One and Fourteen. The main office will be located in the Boyle Heights neighborhood. The service area is within the Eastside of the City of Los Angeles targeted area as defined in the CEDS. The total population of the service area is 163,068 and 41,241, or 25%, are living in poverty. Approximately 133,716, or 82%, of the residents are in low- and moderate-income households. There are 9,659 active businesses within the service area. There are currently 14 Opportunity Zones established in the service area which is about 30% of the total census tracts. A Promise Zone is not currently established in the service area.

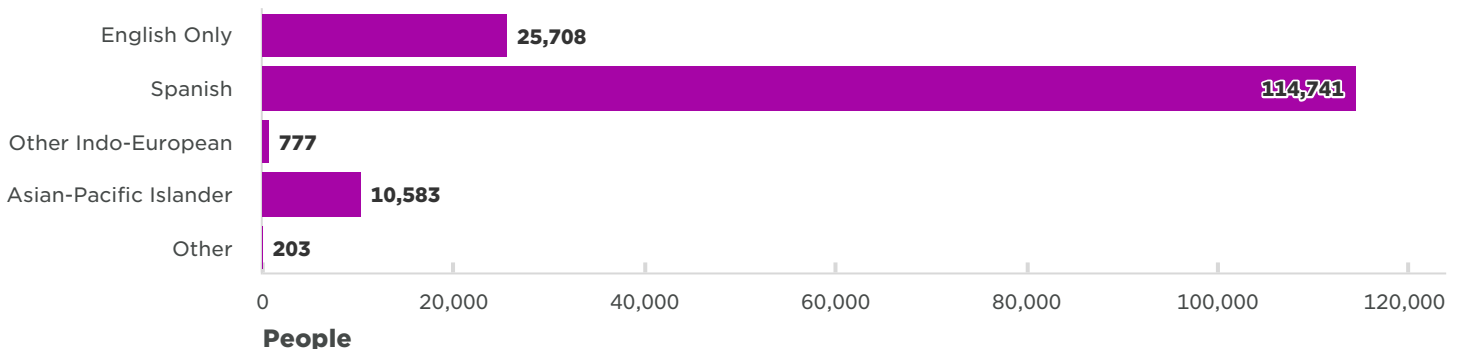


Sources: US Census ACS 5-year



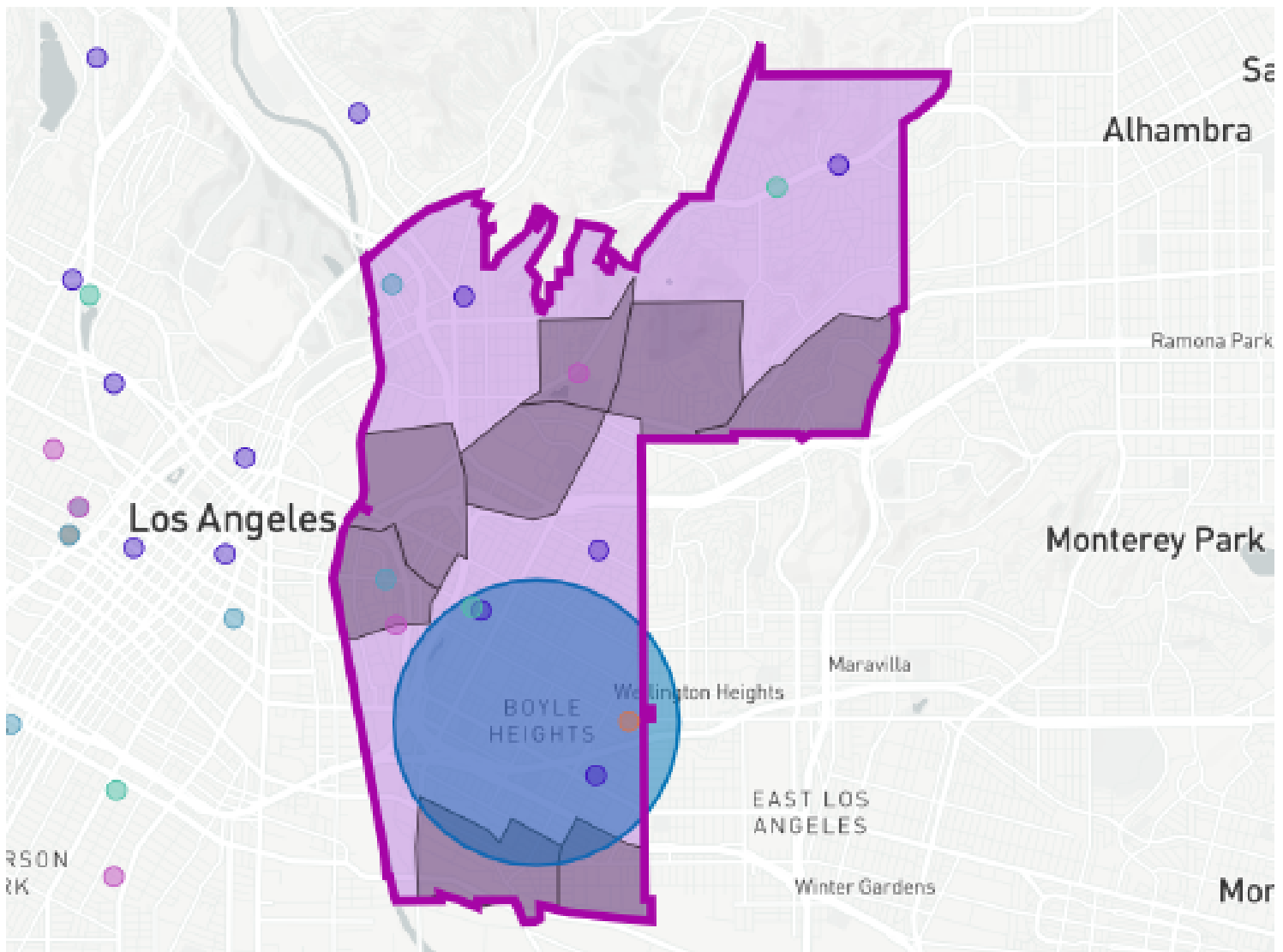
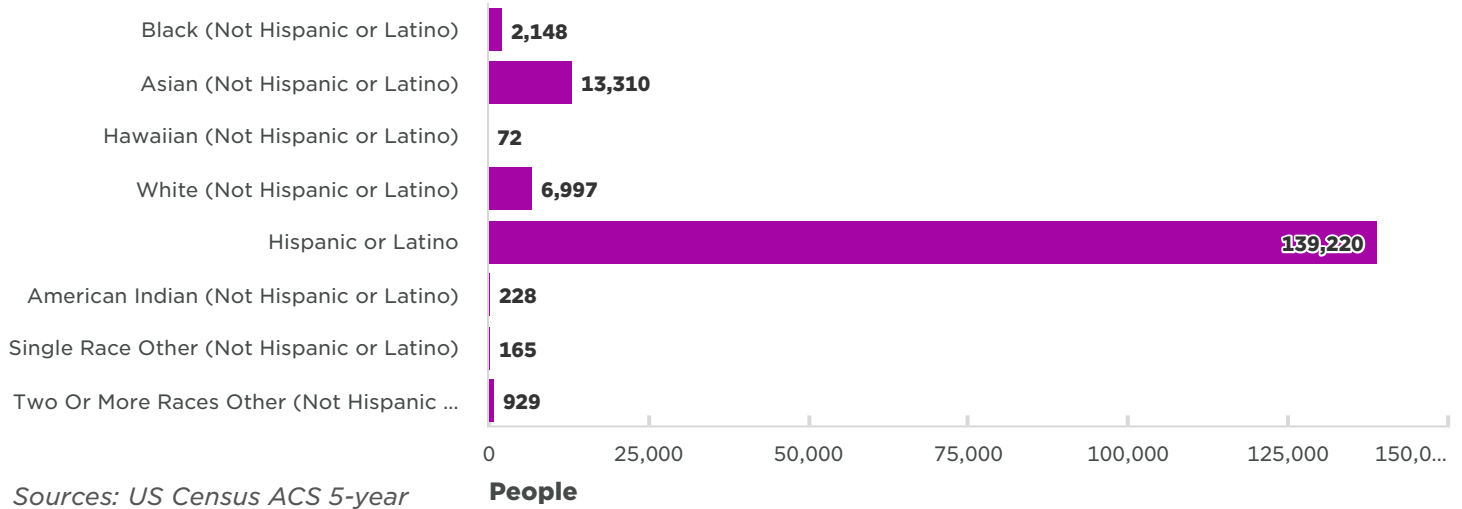
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

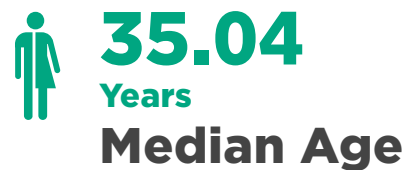
Race/Ethnicity Totals



- Current WorkSource Centers
- Proposed East Los Angeles Region
- Current YouthSource Centers
- East Los Angeles Main Office
- Current FamilySource Centers
- Opportunity Zone
- Current BusinessSource Centers
- CEDS Focus Area: Eastside of the City of Los Angeles
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices

3. Pico Union/Westlake Region

The Pico Union/Westlake service area will cover the neighborhoods of Pico Union, Westlake, Downtown, Chinatown, Echo Park, Rampart Village, Koreatown, Harvard Heights and Council Districts One, Four, Thirteen, and Fourteen. The main office will be located in the Westlake neighborhood. The service area is within the Pico-Union/Westlake targeted area as defined in the CEDS. The total population of the service area is 360,160 and 100,898, or 28%, are living in poverty. Approximately 277,323, or 77%, of the residents are in low- and moderate-income household. There are 55,734 active businesses within the service area. There are currently 29 Opportunity Zones established in the service area which is about 28% of the total census tracts. The Los Angeles Promise Zone is partially located within this service area.

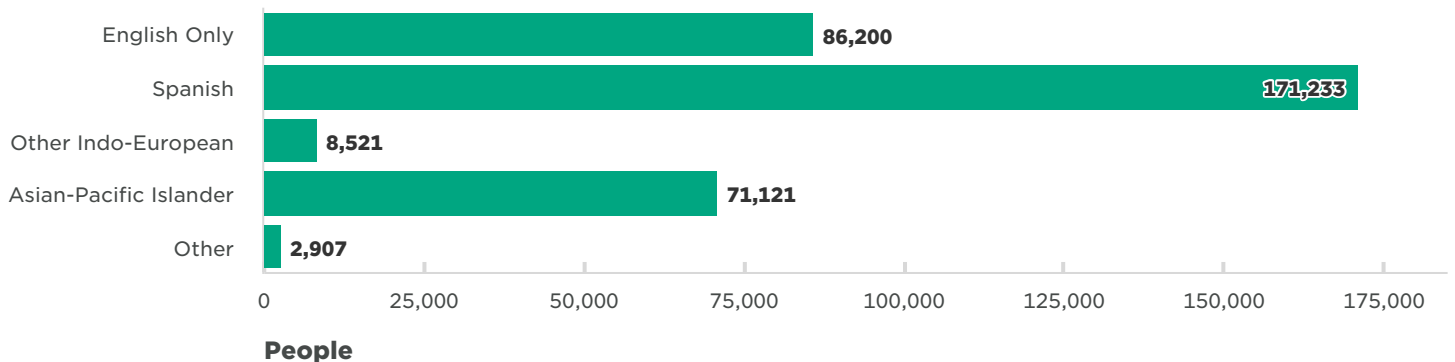


Sources: US Census ACS 5-year



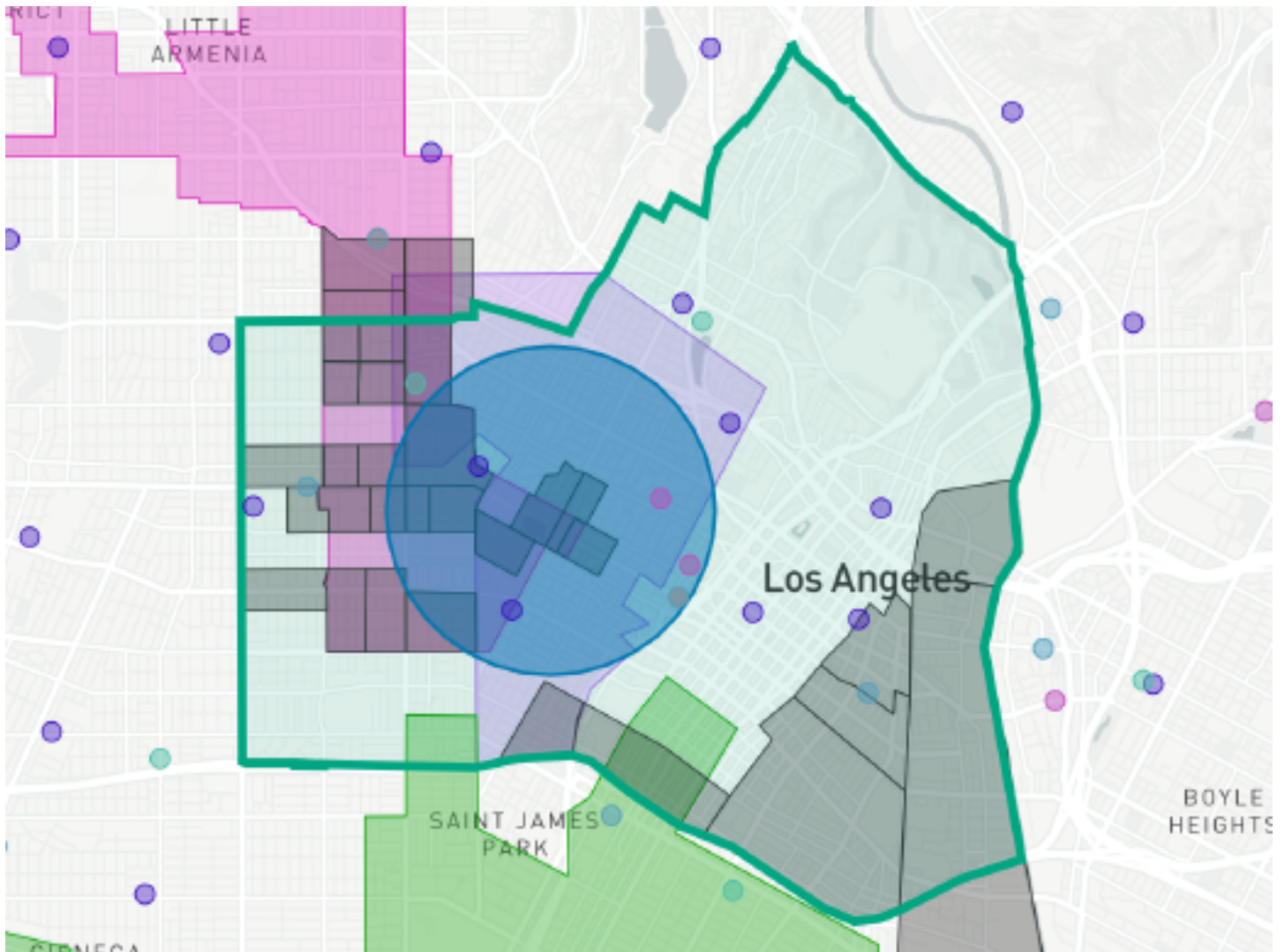
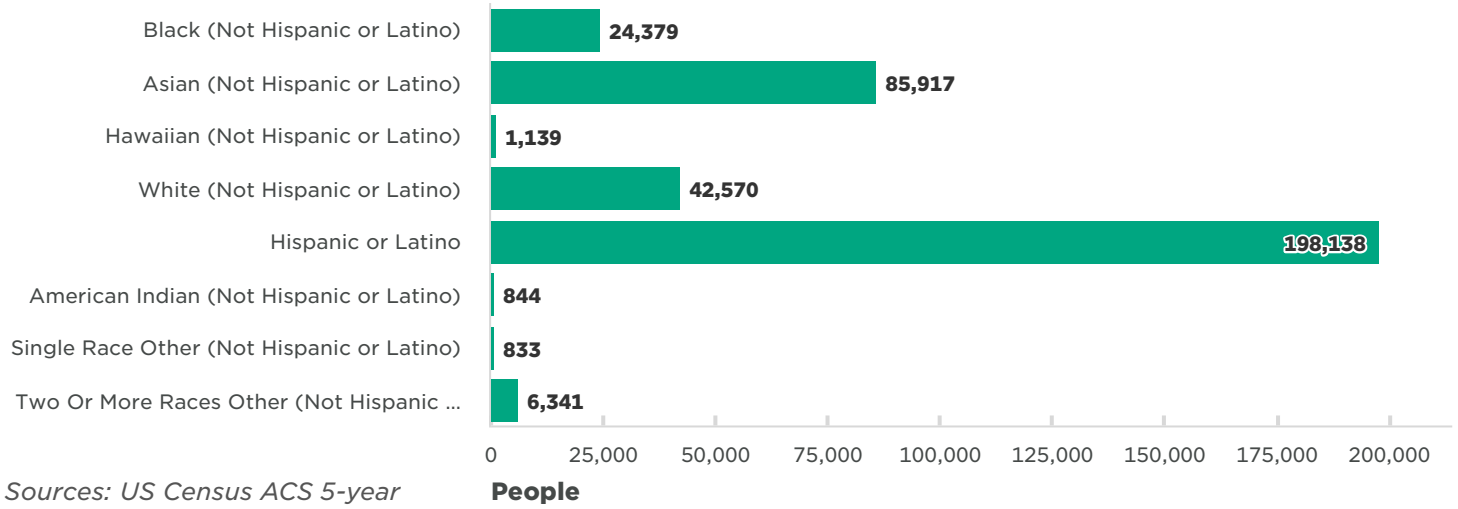
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

Race/Ethnicity Totals



- Current WorkSource Centers
- Proposed Pico-Union/Westlake Region
- Current YouthSource Centers
- Pico-Union/Westlake Main Office
- Current FamilySource Centers
- Opportunity Zones
- Current BusinessSource Centers
- Los Angeles Promise Zone
- City Of LA Libraries
- South Los Angeles Promise Zone "Slate-Z"
- DCA Arts and Cultural Centers
- CEDS Focus Area: Pico-Union/Westlake
- Neighborhood City Halls and City Council District Offices

4. South Los Angeles Region

The South Los Angeles service area will cover the neighborhoods of West Adams, Jefferson Park, Adams-Normandie, University Park, Baldwin Hills/Crenshaw, Leimert Park, Exposition Park, Vermont Square, Hyde Park, Chesterfield Square, Harvard Park, Vermont-Slauson, Manchester Square, Vermont Knolls, Gramercy Park, Vermont Vista, and Council Districts Eight, Nine, and Ten. The main office will be located in the South Los Angeles neighborhood between Vermont/Slauson and Los Angeles Trade-Technical College (LATTC). The service area is within the South Los Angeles targeted area as defined in the CEDS. The total population of the service area is 373,652 and 99,609, or 27%, are living in poverty. Approximately 235,401, or 63%, of the residents are in low- and moderate-income households. There are 23,161 active businesses within the service area. There are currently 22 Opportunity Zones established in the service area which is about 25% of the total census tracts. The South Los Angeles Promise Zone, otherwise known as the South Los Angeles Transit Empowerment Zone or Slate-Z, is partially located within this service area.



373,652

People

Total Population



99,609

People

People Below Poverty Level



\$41,843

USD

Median Household Income



34.55

Years

Median Age

Sources: US Census ACS 5-year



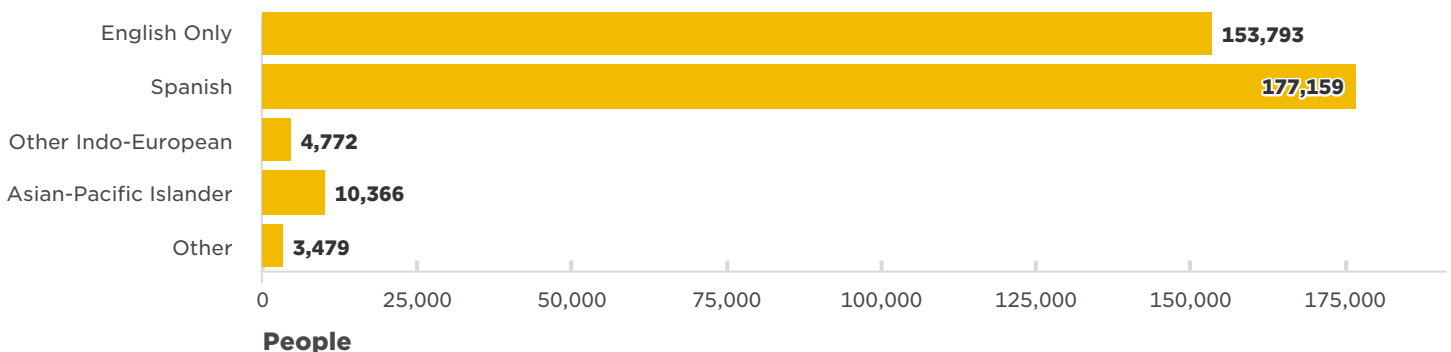
23,161

Sites

Number of Businesses

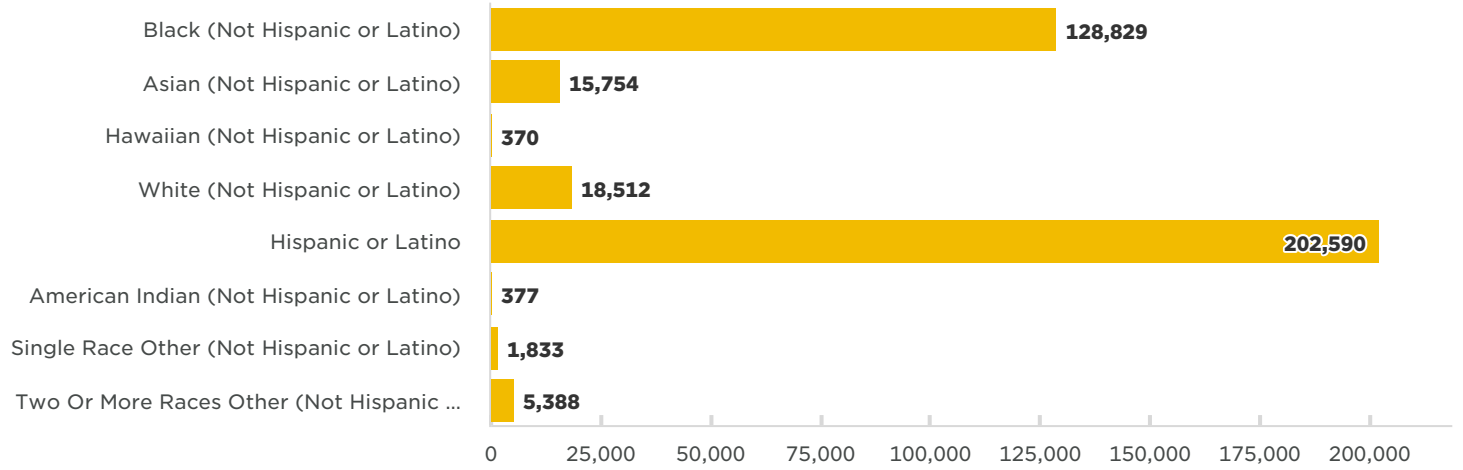
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



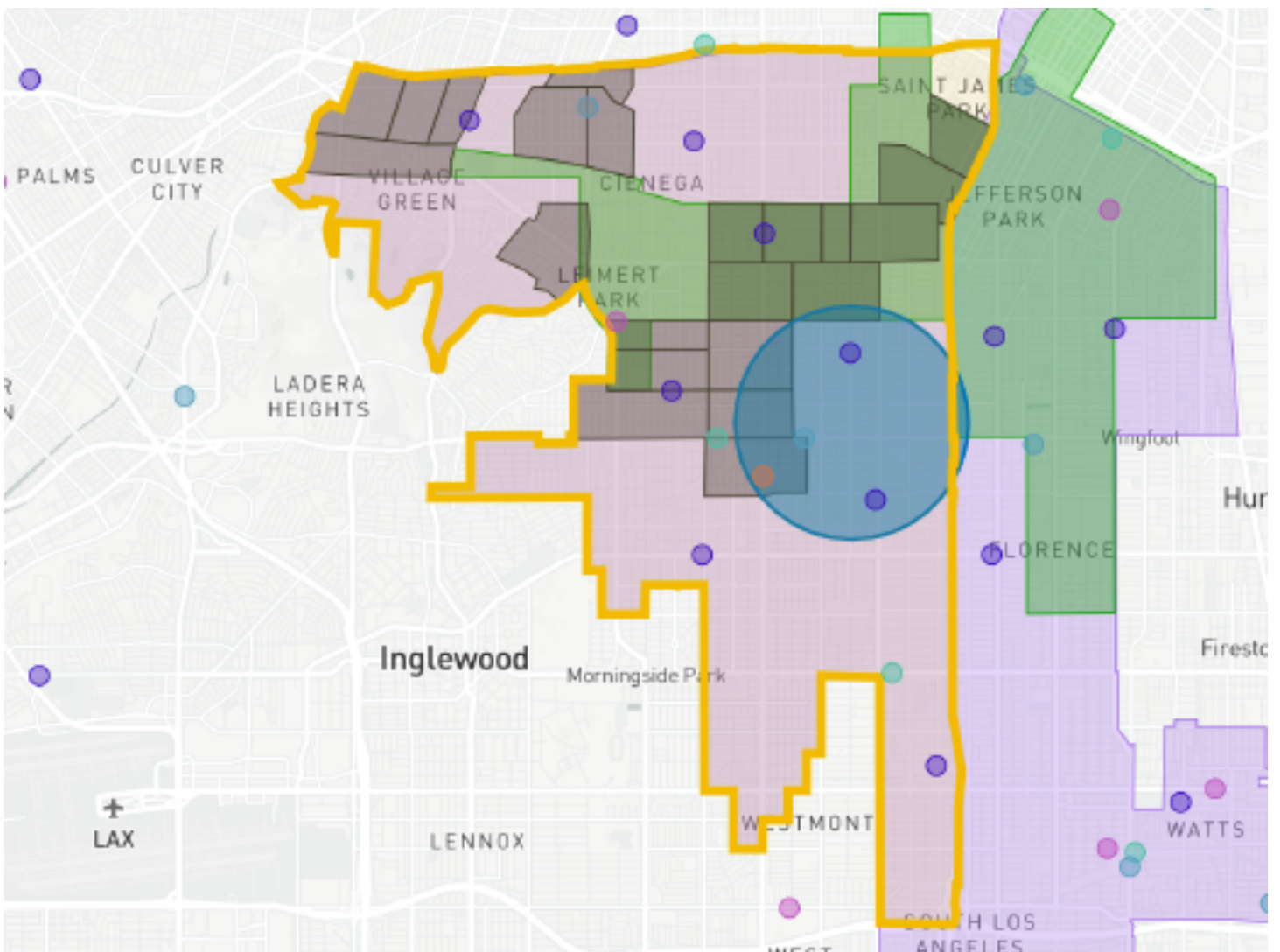
Sources: US Census ACS 5-year

Race/Ethnicity Totals



Sources: US Census ACS 5-year

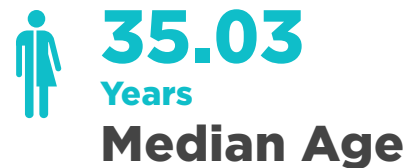
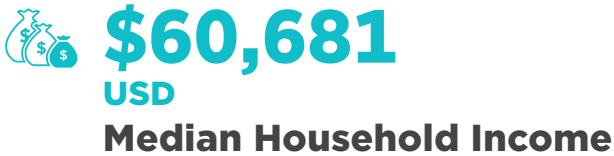
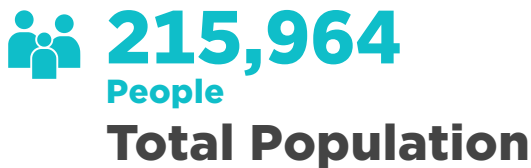
People



- Current WorkSource Centers
- Proposed South Los Angeles Region
- Current YouthSource Centers
- South LA Main Office
- Current FamilySource Centers
- Opportunity Zones
- Current BusinessSource Centers
- South Los Angeles Promise Zone "Slate-Z"
- City Of LA Libraries
- CEDS Focus Area: South Los Angeles
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices

5. Harbor Region

The Harbor service area will cover the neighborhoods of Harbor Gateway, Harbor City, Wilmington, San Pedro and Council District Fifteen. The main office will be located in the San Pedro neighborhood. The service area is within the Harbor targeted area as defined in the CEDS. The total population of the service area is 215,964 and 42,013, or 19%, are living in poverty. Approximately 90,705, or 42%, of the residents are in low- and moderate-income household. There are 10,220 active businesses within the service area. There are currently 12 Opportunity Zones established in the service area which is about 22% of the total census tracts. A Promise Zone is not currently established in the service area.

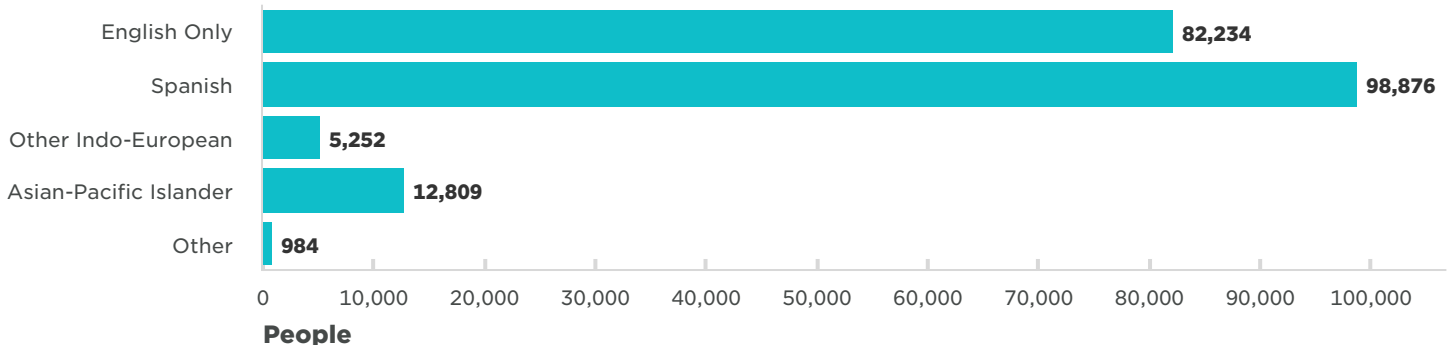


Sources: US Census ACS 5-year



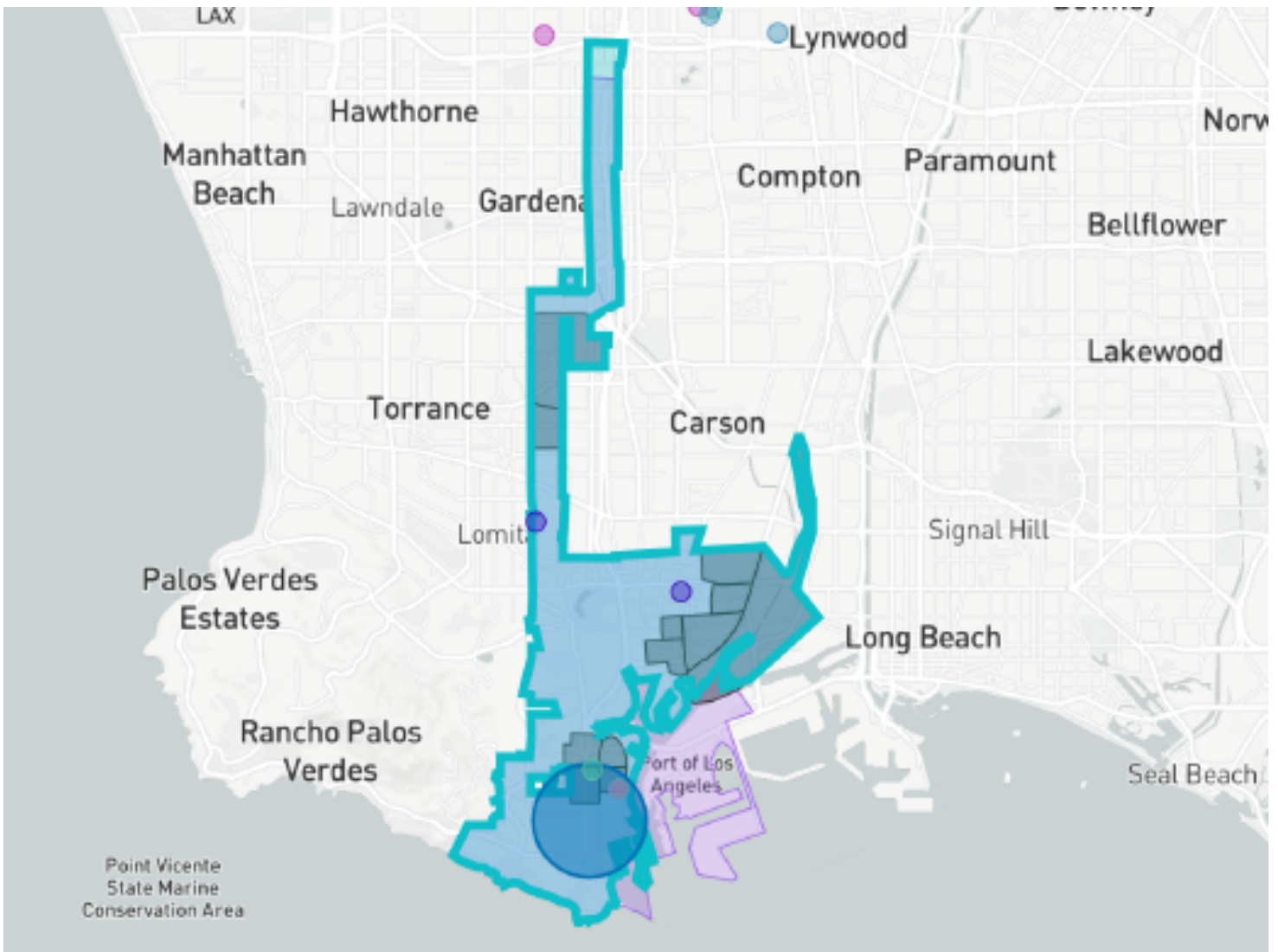
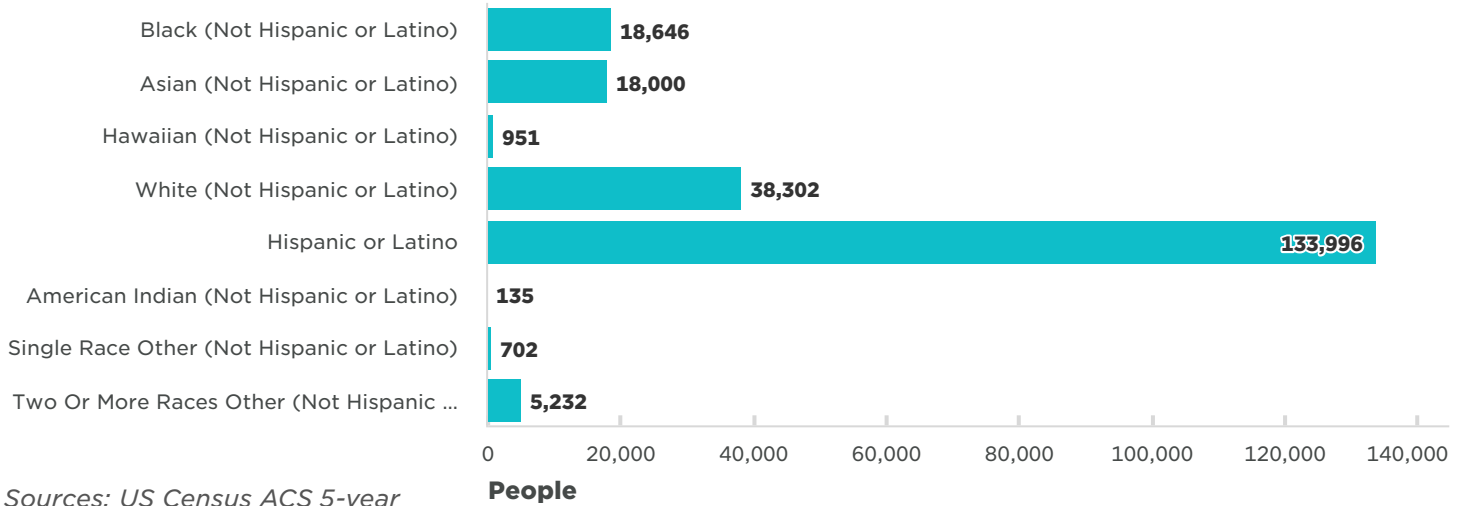
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

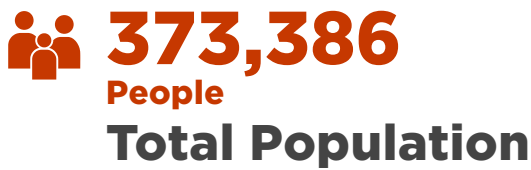
Race/Ethnicity Totals



- Current WorkSource Centers
- Proposed Harbor Region
- Current YouthSource Centers
- Harbor Main Office
- Current FamilySource Centers
- Opportunity Zones
- Current BusinessSource Centers
- CEDS Focus Area: Harbor Area
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices

6. South Valley Region

The South Valley service area will cover the neighborhoods of Van Nuys, Valley Glen, North Hollywood, Sherman Oaks, Valley Village, Studio City, Toluca Lake and Council Districts Two, Four, and Six. The main office will be located in the Van Nuys neighborhood. The service area is within the Eastern San Fernando Valley targeted area as defined in the CEDS. The total population of the service area is 373,386 and 58,581, or 16%, are living in poverty. Approximately 197,895, or 53%, of the residents are in low- and moderate-income household. There are 54,902 active businesses within the service area. There are currently 26 Opportunity Zones established in the service area which is about 27% of the total census tracts. A Promise Zone is not currently established in the service area.

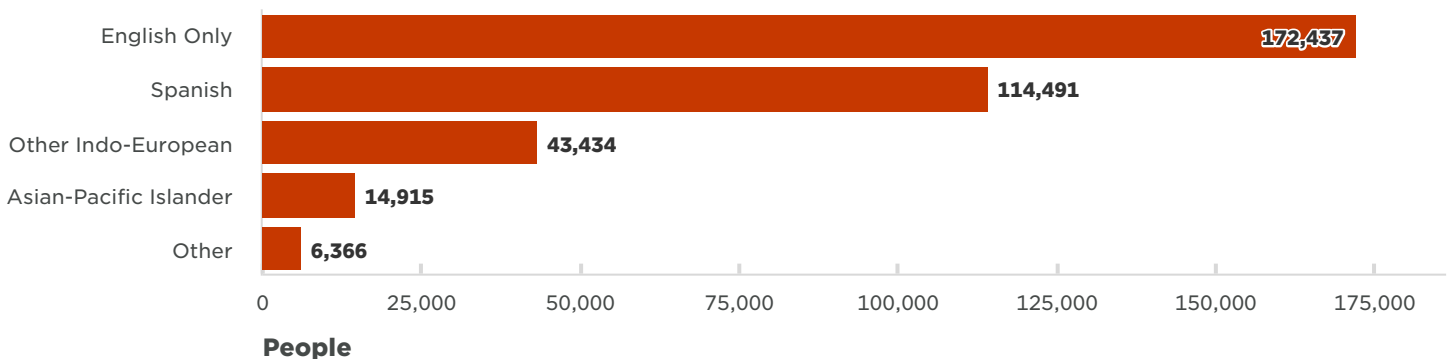


Sources: US Census ACS 5-year



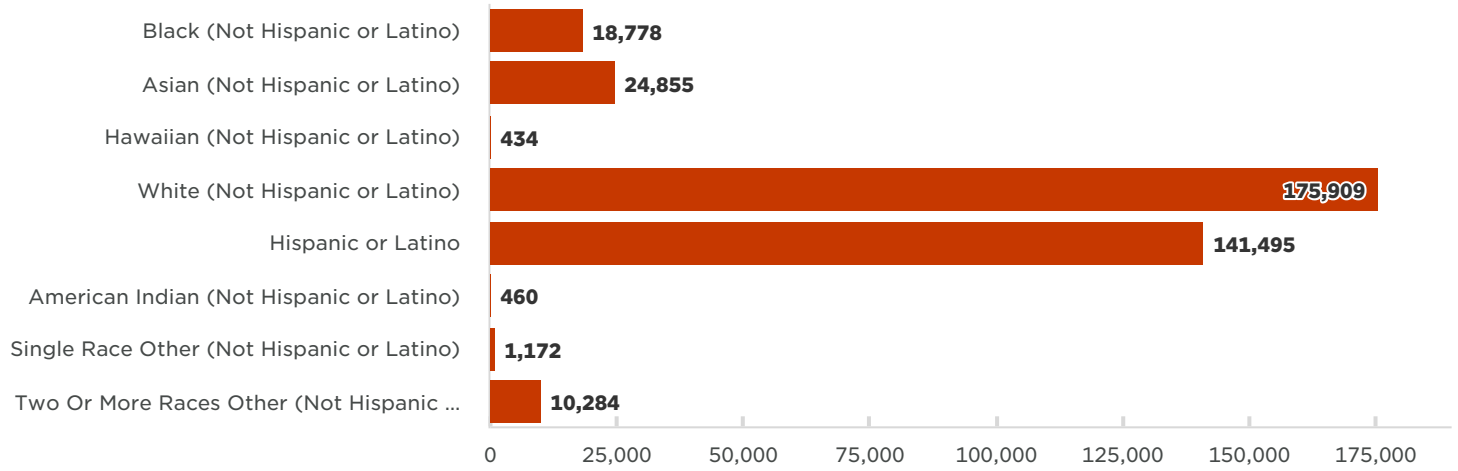
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



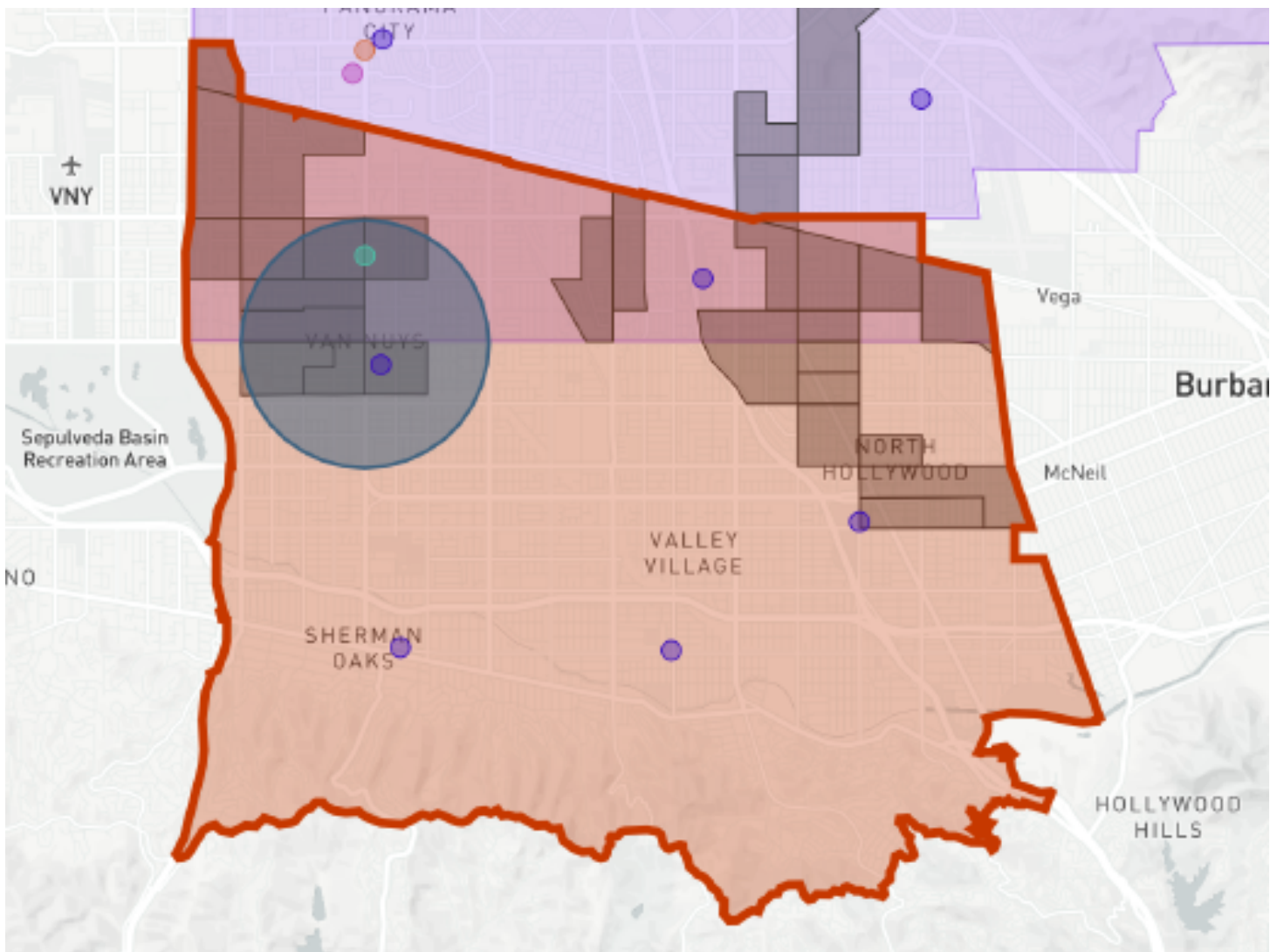
Sources: US Census ACS 5-year

Race/Ethnicity Totals



Sources: US Census ACS 5-year

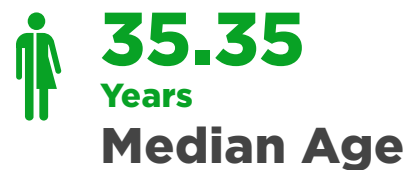
People



- Current WorkSource Centers
- Current YouthSource Centers
- Current FamilySource Centers
- Current BusinessSource Centers
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices
- Proposed South Valley Region
- South Valley Main Office
- Opportunity Zone
- CEDS Focus Area: Eastern San Fernando Valley

7. North Valley Region

The North Valley service area will cover the neighborhoods of Sylmar, Mission Hills, North Hills, Panorama City, Arleta, Pacoima, Lake View Terrace, Hansen Dam, Sun Valley, Shadow Hills, Sunland, Tujunga and Council Districts Six and Seven. The main office will be located in the Pacoima neighborhood. The service area is within the Eastern San Fernando Valley targeted area as defined in the CEDS. The total population of the service area is 470,823 and 83,223, or 18%, are living in poverty. Approximately 273,077, or 58%, of the residents are in low- and moderate-income household. There are 32,009 active businesses within the service area. There are currently 22 Opportunity Zones established in the service area which is about 20% of the total census tracts. A Promise Zone is not currently established in the service area.

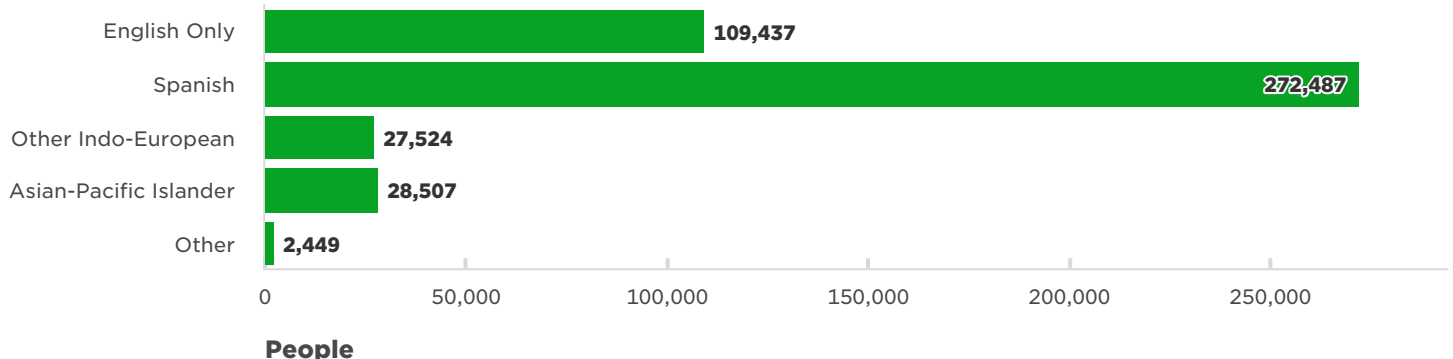


Sources: US Census ACS 5-year



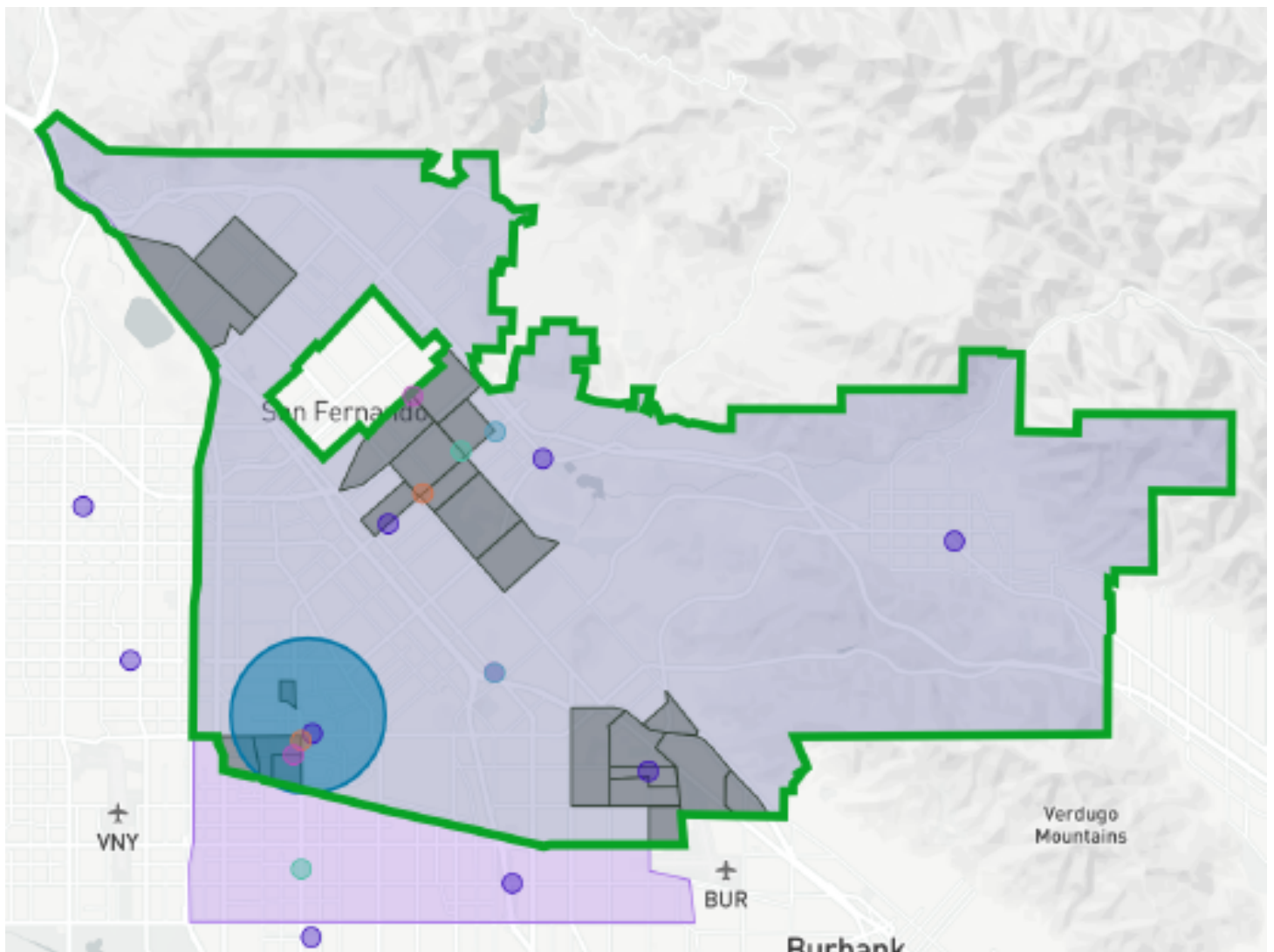
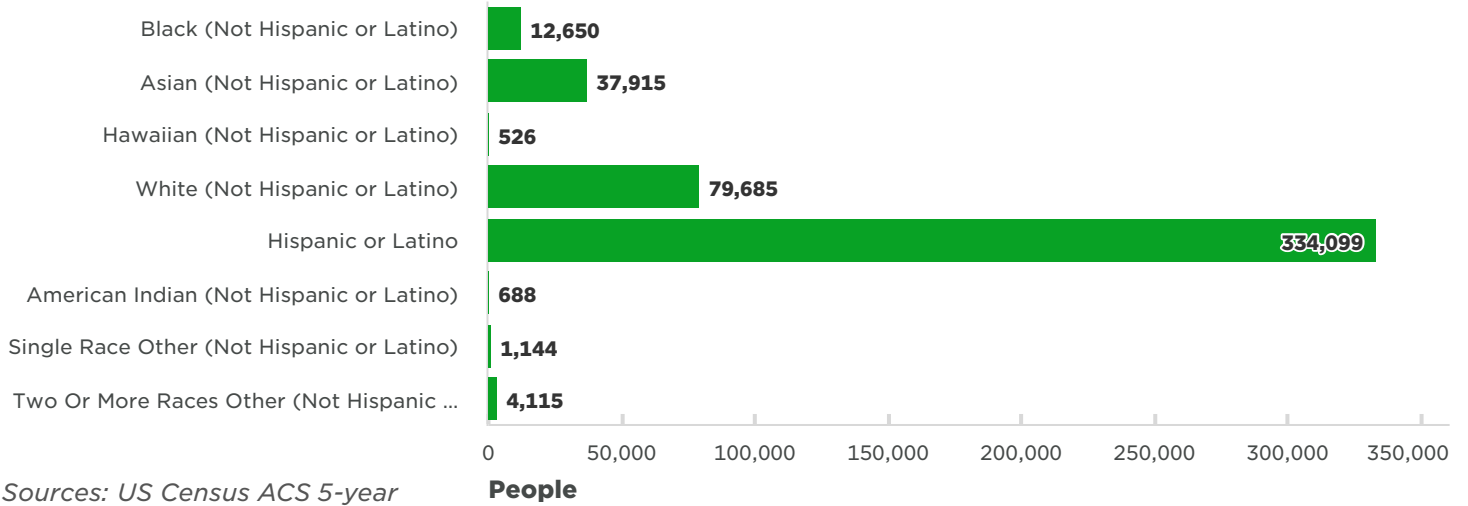
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

Race/Ethnicity Totals



- Current WorkSource Centers
- Proposed North Valley Region
- Current YouthSource Centers
- North Valley Main Office
- Current FamilySource Centers
- Opportunity Zones
- Current BusinessSource Centers
- CEDS Focus Area: Eastern San Fernando Valley
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices

8. Hollywood Region

The Hollywood service area will cover the neighborhoods of Hollywood, East Hollywood, Los Feliz, Silver Lake, Fairfax, Hancock Park, Larchmont, Windsor Square, Mid-Wilshire, Koreatown, Harvard Heights, Arlington Heights, Mid-City, and Council Districts Four, Five, Ten, and Thirteen. The main office will be located in the East Hollywood neighborhood. The service area is not within any targeted area as defined in the CEDS, however, EDD staff believe this area would suffer from the loss of direct services. The total population of the service area is 369,444 and 60,797, or 16%, are living in poverty. Approximately 225,361, or 61%, of the residents are in low- and moderate-income households. There are 55,872 active businesses within the service area. There are currently 27 Opportunity Zones established in the service area which is about 26% of the total census tracts. The Los Angeles Promise Zone is partially located within this service area.



369,444
People

Total Population



60,797
People

People Below Poverty Level



\$65,084
USD

Median Household Income



37.7
Years

Median Age

Sources: US Census ACS 5-year

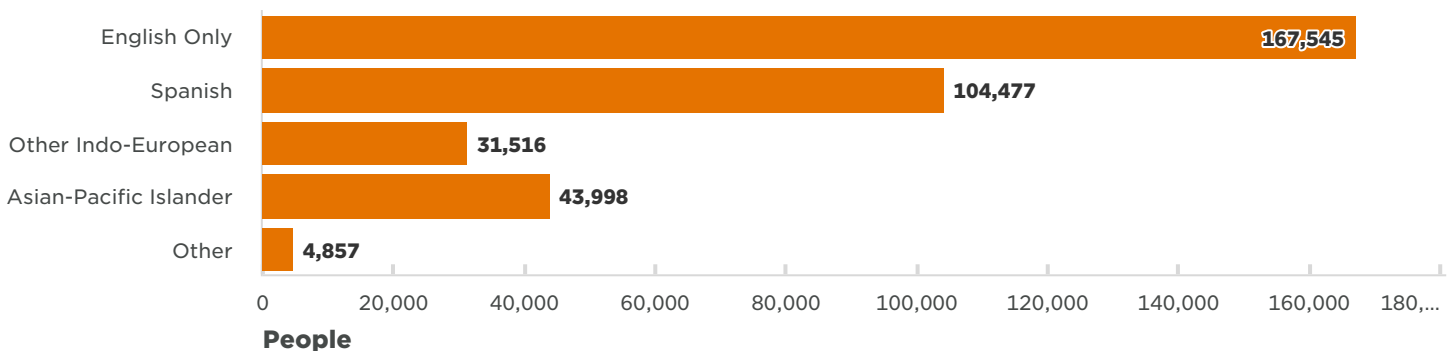


55,872
Sites

Number of Businesses

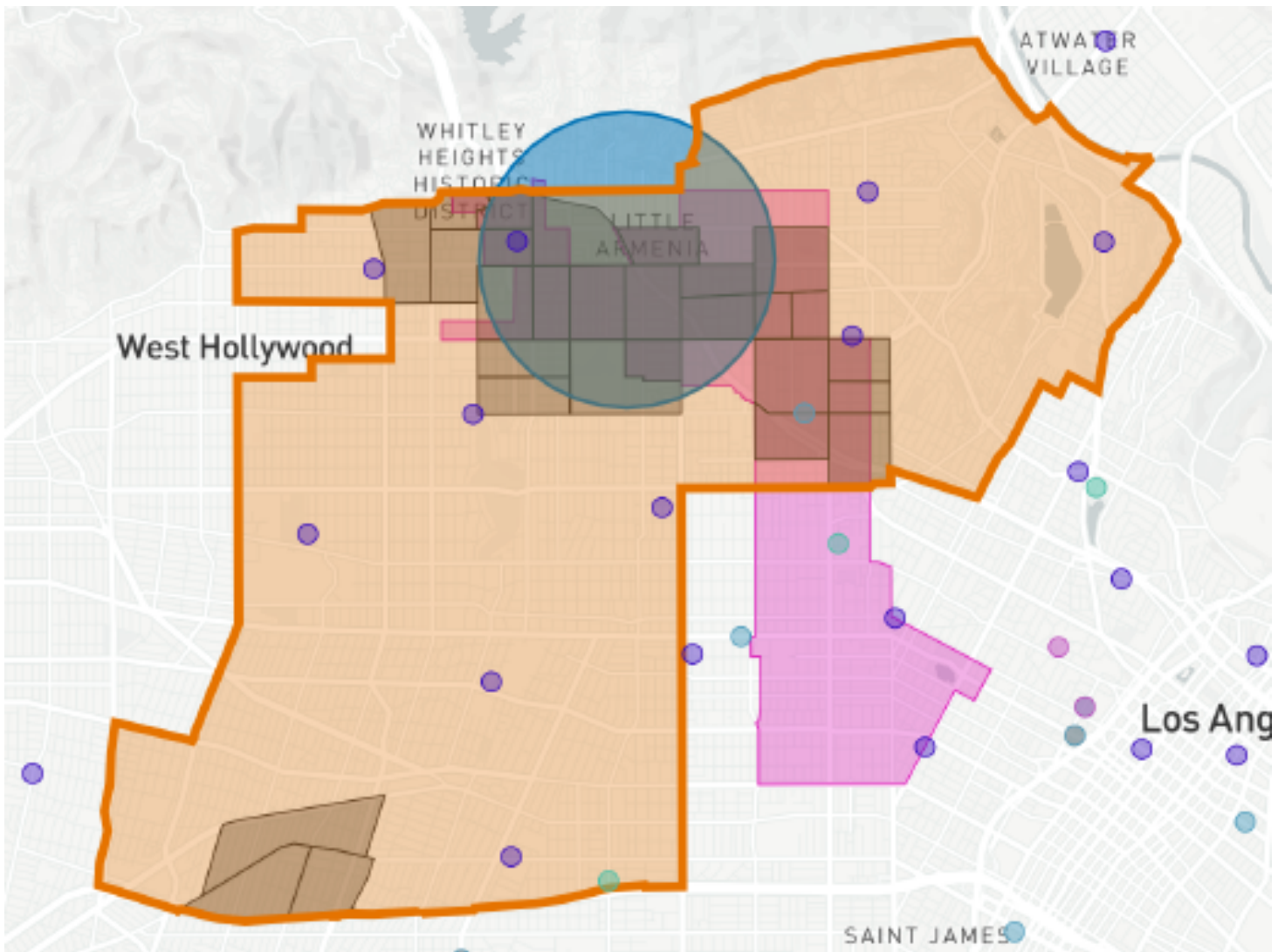
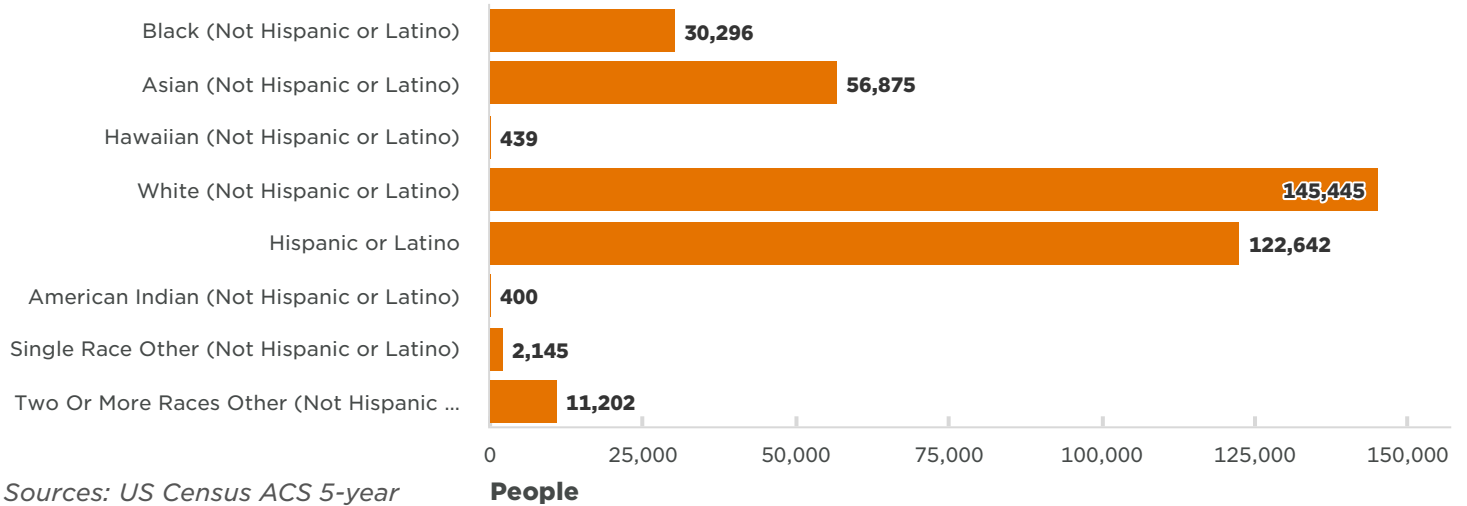
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

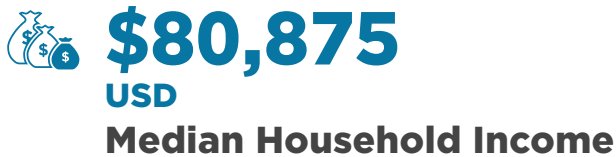
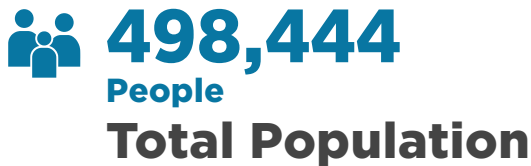
Race/Ethnicity Totals



- Current WorkSource Centers
- Current YouthSource Centers
- Current FamilySource Centers
- Current BusinessSource Centers
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices
- Proposed Hollywood Region
- Hollywood Main Office
- Opportunity Zones
- Los Angeles Promise Zone

9. West Valley Region

The West Valley service area will cover the neighborhoods of Northridge, North Hills, Reseda, Lake Balboa, Tarzana, Encino, Sepulveda Basin, Canoga Park, Winnetka, Porter Ranch, Granada Hills, and Council Districts Three, Five, Six, and Twelve. The main office will be located in the Reseda neighborhood. The service area is not within any targeted area as defined in the CEDS, however, EDD staff believe this area would suffer from the loss of direct services. The total population of the service area is 498,444 and 64,002, or 13%, are living in poverty. Approximately 214,331, or 43%, of the residents are in low- and moderate-income households. There are 56,250 active businesses within the service area. There are currently 11 Opportunity Zones established in the service area which is about 10% of the total census tracts. A Promise Zone is not currently established in the service area.

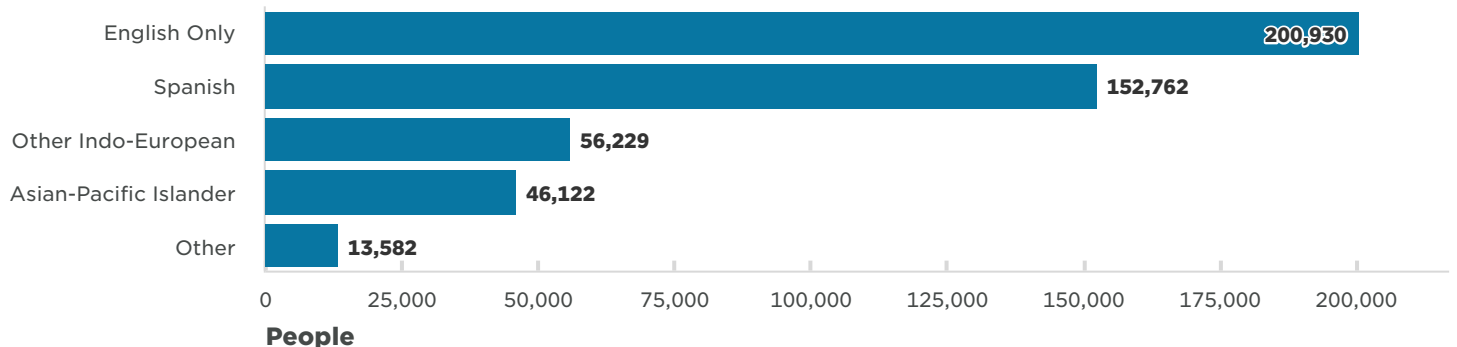


Sources: US Census ACS 5-year



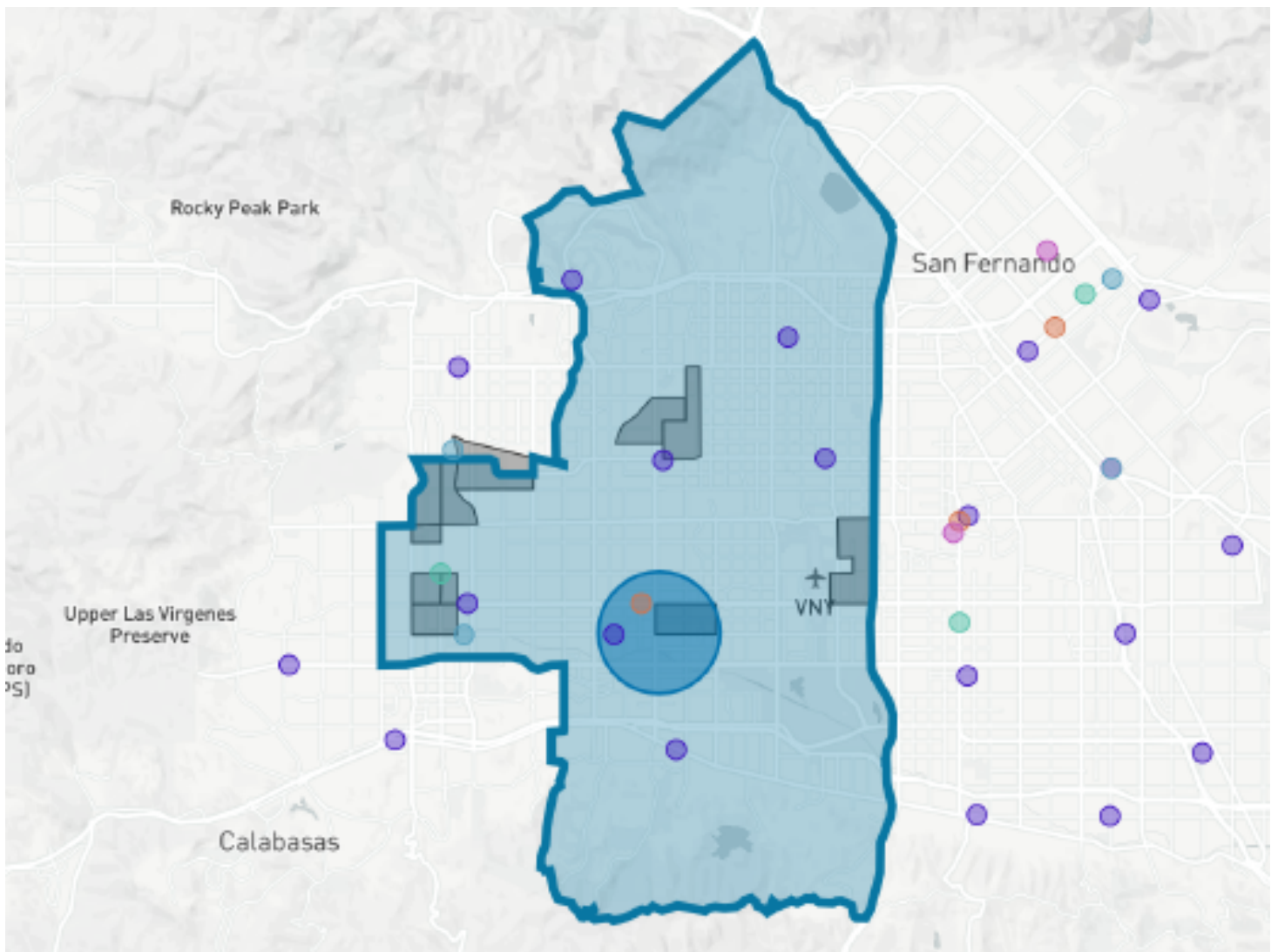
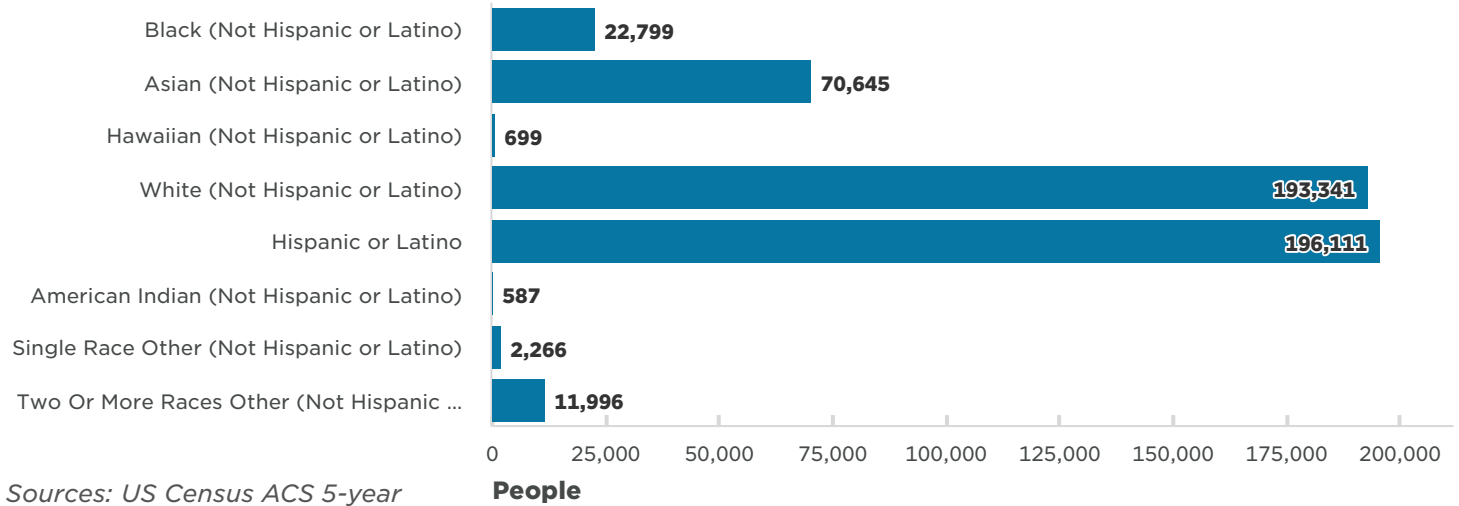
All active businesses registered with the Office of Finance. Date of capture: May 15, 2020.

Language Spoken at Home



Sources: US Census ACS 5-year

Race/Ethnicity Totals



- Current WorkSource Centers
- Proposed West Valley Region
- Current YouthSource Centers
- West Valley Main Office
- Current FamilySource Centers
- Opportunity Zones
- Current BusinessSource Centers
- City Of LA Libraries
- DCA Arts and Cultural Centers
- Neighborhood City Halls and City Council District Offices

Conclusion

The main goal of the program redesign is to ensure the BSC program can better reach the underserved populations of the City of Los Angeles. The BSC program provides services city-wide, however the main outreach for each center will be focused on their designated service area. A one-mile radius for a main office is established for all service areas and the proposers should identify an office space within the radius. The service areas were determined after comparing the poverty rates using data from 2012-2016 American Community Survey Five Year Estimates, total businesses with an active Business Tax Registration Certificate (BTRC) with the Office of Finance using data from the City's Open Data portal updated on May 15, 2020, persons in low- and moderate-income households using data from 2011-2015 American Community Survey Five Year Estimates per U.S. Department of Housing and Urban Development (HUD)'s Community Planning and Development (CPD) Notice 19-02, the number of established opportunity zones compared to the total number of census tracts, Promise Zones, and the target areas addressed in the CEDS. The previous service areas Central West and Mid-City were combined and more focused on the Pico-Union/Westlake region. The previous South Los Angeles and Harbor service areas were split into three service areas, South Los Angeles, Watts/Southeast Los Angeles, and Harbor, using the 110 freeway as a natural barrier. The methodology to determine the greatest need was based on a point system method comparing all the regions and distributed points according to rank with nine the maximum and one the minimum. Five points were given to service areas in Promise Zones and target areas addressed in the CEDS and zero points to services areas that are not. Below are the results of the allotment of points:

Region	Points distributed based on greatest need with nine the maximum and one the minimum				Economic Development Areas Awarded Five Points		Total	Ranking
	% Low/Mod Residents	% Living in Poverty	% of Opportunity Zones	# of Business	Target Area in the CEDS?	In a Promise Zone?		
Watts/Southeast Los Angeles	8	9	9	7	Yes	Yes	43	1
East Los Angeles	9	6	8	9	Yes	No	37	2
Pico Union/ Westlake	7	8	7	3	Yes	Yes	35	3
South Los Angeles	6	7	4	6	Yes	Yes	33	4
Harbor	1	5	3	8	Yes	No	22	5
South Valley	3	3	6	4	Yes	No	21	6
North Valley	4	4	2	5	Yes	No	20	7
Hollywood	5	2	5	2	No	Yes	19	8
West Valley	2	1	1	1	No	No	5	9