

CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR



**Economic and Workforce
Development Department**
FREDERICK L. JACKSON
INTERIM GENERAL MANAGER



Workforce *Development* Board
City of *Los Angeles*

Workforce Development Board
LASHONDRA MERCURIUS
CHAIR

March 6, 2026

Council File Number:
Council Districts: All
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The Honorable Karen Bass
Mayor, City of Los Angeles
Room 303, City Hall

City Council
c/o City Clerk
Room 395, City Hall

Attention: Legislative Coordinator

**TRANSMITTAL: APPROVAL OF RECOMMENDATIONS REGARDING THE
RESULTS OF THE 2025 WORKSOURCE CENTER OPERATORS
REQUEST FOR PROPOSALS FOR PROGRAM YEAR 2026-27**

RECOMMENDED ACTION

The General Manager of the Economic and Workforce Development Department (EWDD), or designee, and the Chair of the Workforce Development Board (WDB) respectfully request that the City Council, subject to the approval of the Mayor as required:

1. APPROVE the results of the 2025 WorkSource Center (WSC) Operators Request for Proposals (RFP), see Table 1;
2. AUTHORIZE the General Manager of EWDD, or a designee, to negotiate and to enter into contracts with the recommended public, private, non-profit and/or governmental entities as outlined in Table 2, for the period of July 1, 2026 through June 30, 2027, with an option for the City of Los Angeles (City) to renew for up to three (3) additional one-year terms, subject to the WDB/Local Elected Officials (WDB-LEO) agreement and approval by the City Attorney;
3. AUTHORIZE the General Manager of EWDD to prepare a Replacement Operator list for the WSC System, consisting of all proposals achieving a score of 70 or higher, to remain in place for the duration of the procurement cycle;

4. CONCUR with EWDD's determination of insufficient proposals for the Boyle Heights, Southeast Los Angeles/Watts, and West Adams-Baldwin Hills-Leimert Community Planning Areas (CPAs);
5. AUTHORIZE the General Manager of EWDD to reissue the RFP for the Boyle Heights, Southeast Los Angeles/Watts, and West Adams–Baldwin Hills–Leimert or South Los Angeles CPAs to provide adequate competition, as an insufficient number of eligible proposals were received for the WSCs in the East Los Angeles and South Los Angeles areas; and
6. AUTHORIZE the Chair of the WDB to reassess and, as appropriate, recommend the reallocation of existing Workforce Innovation and Opportunity Act (WIOA) funds through the Annual Plan to support the redesign of the WSC System and implementation of improvements authorized by the WSC Redesign Ad Hoc Committee, and to submit, as necessary, a City General Fund (GF) budget request of up to \$3.4 million to augment available resources and fully implement the redesigned WSC System.

BACKGROUND

The re-procurement of WSC Operators represents a significant opportunity for the City to modernize the WSC System and incorporate local workforce development priorities into its program design over the next four years. The current design of the WSC program was developed over 13 years ago. The realities, barriers, and needs of the Angelenos served by the WSC System have shifted along with the labor demands of the City's primary industries. Los Angeles County Economic Development Corporation's (LAEDC) *Los Angeles: People, Industry, Jobs Report (2022–2028)*, commissioned by EWDD, identifies critical labor market challenges the Workforce Development System (WDS) must address through the WSC Redesign. Critical issue areas include homelessness, rising costs of living, increasing poverty, stagnant incomes, population decline, an aging workforce, low educational attainment, and increased disconnection rates for 16–24-year-olds.

Five-Year Strategic Plan

In response to these challenges, the redesign will position the WSC System to lead the advancement of the Five-Year Workforce Development Plan (2025-2030), *A Path Forward* (Five-Year Plan). A critical focus of the Five-Year Plan is to support the Mayor's efforts to address the homelessness crisis. Adopted by the City Council (Council File No. 25-0531), the City's Five-Year Plan promotes economic recovery, financial stability, and prepares residents and businesses for jobs of the future. The Five-Year Plan supports the Mayor's Five-Year Goal of connecting 50,000 Angelenos into high-quality, living-wage jobs, registered apprenticeships, paid work experiences, and training as critical pathways to economic stability and success by 2030.

WorkSource Center System Evaluation

In September 2023, the City's WDB established a WSC System Redesign Ad Hoc Committee to set priorities for system redesign, required services, and performance expectations. To assess the WSC Systems' capacity to meet the objectives and long-term goals established by the Five-Year Plan, California State University Northridge (CSUN) was contracted to evaluate the current WSC System program model to identify ways to redesign and improve its service delivery system to connect program participants

to high-wage jobs and reduce inequities among program participants. The evaluation included interviews with existing service providers, key stakeholders, and existing program participants. It also included an analysis of program outcomes achieved by WSCs, including occupation placements and service delivery to high-barrier populations. Some of the key findings of the CSUN evaluation included the following:

1. Funding and Resource Constraints

Current WSC funding levels do not sufficiently provide the necessary resources to staff critical case management and employment engagement work. Funding is also limited for critical participant-related costs such as stipends and supportive services. Limited resources also lead to unmanageable participant-to-case manager ratios, with some cases exceeding 170 participants per case manager.

2. Limited-Service Customization for Key Populations

With the exception of the Los Angeles Regional Initiative for Social Enterprise (LA:RISE) and select discretionary programs, the insufficient staffing and participant-related costs limit the WSC's ability to adequately case-manage program participants and provide the necessary resources to address barriers to employment. The result is a "one-size-fits-all" program that does not create quality employment opportunities for participants with basic skills deficiencies and/or limited educational attainment.

3. High Infrastructure Costs

Contribute to the WSC System's challenges and inability to meet many participants' needs as a result of allocating approximately one-third of program funding to facility and other infrastructure costs.

4. Staff Retention and Support

High staff turnover rates and limited opportunities for professional development pose challenges for maintaining a skilled and experienced workforce. Low wages, demanding workloads, and a lack of career advancement pathways contribute to staff burnout and attrition, disrupting service continuity and quality.

5. Overemphasis on Federal Performance Measures

While the WSC System consistently meets federal performance measures negotiated annually with the California Employment Development Department (EDD), these measures do not fully capture customer outcomes or the system's broader impact. The WSC directors have noted that the current performance targets are excessively high, while budgets remain insufficient. As a result, Centers are compelled to serve a larger number of clients more quickly to fulfill performance targets, limiting their ability to provide the in-depth, high-quality services many clients need.

WorkSource Center System Redesign White Paper

Guided by the findings and recommendations from the CSUN evaluation and the Five-Year Plan, EWDD, in partnership with the WDB and the Mayor's Office of Economic Opportunity (MOEO), is set to transform the current WSC System from a system focused on serving a large volume of participants with limited impact to one that focuses on providing high-quality services, creating economic opportunity, and ensuring access to "good jobs" that provide a living wage.

The proposed redesign consists of the following program design elements:

1. A service delivery strategy by educational attainment level (no High School (HS) diploma, HS Diploma or equivalency, and some college), with an emphasis on providing the participant supports needed to achieve higher levels of education.
2. Enhancing employer engagement strategies, including new high-road training programs and career pathways informed by sector-specific strategies targeting priority industries that align with the Mayor's Five-Year Plan Goal of creating 50,000 "good jobs" by 2030.
3. Expanding Cross-Sector Collaboration with City "Source" systems (FamilySource Centers (FSC), BusinessSource Centers (BSC), YouthSource Centers (YSC)) and with regional education and workforce development partners, including the EDD, California Department of Rehabilitation (DOR), Los Angeles Unified School District (LAUSD), and Los Angeles Community College District (LACCD), to enhance the capacity and effectiveness of WSCs, ensuring comprehensive support for job seekers.
4. Increasing organizational capacity of the WSC System by setting minimum staffing levels for case managers and employer engagement, and decreasing participant-to-case manager ratios.
5. Expanding the reach of the WSC System through virtual services and community partnerships with the City's Public Library System
6. Continue focusing on high-barrier populations through customized programs that address individual barriers to employment, including educational attainment and the need for supportive services. High barrier populations include:
 - Unhoused / Individuals Experiencing Homelessness
 - Opportunity Youth
 - Justice-Impacted Individuals
 - People with Disabilities
 - Domestic Violence Survivors
 - Veterans
 - Older Workers 55+
 - English Language Learners

The modernized employer engagement strategy, through customized sector initiatives and sector-specific training, will allow participants to be placed in high-growth sectors and apprenticeships. By implementing individualized customer flows and prioritizing high-growth sectors, the system will tailor training and placement to a participant's specific educational level and desired sector. This improved service delivery is supported by expanding cross-sector collaboration with libraries and community colleges and introducing virtual services to increase accessibility.

The program design professionalizes the WSC System by setting a goal for the minimum wage of \$23 for all WSC staff and \$31.25 for WSC Case Managers and Business Services Representatives to reduce turnover, while maintaining a 50:1 participant-to-case-

manager ratio and deepening support for high-barrier populations like older workers and opportunity youth.

The redesigned system will also integrate an intentional case management and customer flow plan for Angelenos experiencing homelessness through prioritizing partnerships with homeless service providers, identifying employer-driven pathways, and coinciding with relevant regional plans to alleviate homelessness. The re-envisioned WSC System differs fundamentally from the old design by prioritizing depth of service and long-term economic impact over the sheer number of participants served. While the previous system focused on quick job placements in low-cost entry roles due to funding constraints, the updated WSC System will highlight the quality staffing and supportive services necessary for career-level success. To achieve this, the WSC Redesign prioritizes increased funding per Center as critical to providing intensive case management and specialized employer engagement staffing.

Without an increase in WIOA funding, the City has two options for increasing resources to WSCs:

- **Option 1 – Augment WIOA Funding with City General Fund Dollars**

This option allows the City to maintain the existing number of centers, enabling the City to serve high-need areas while also providing wide coverage across the City.

- **Option 2 – Reduce the Number of Centers Funded**

To reduce infrastructure costs across the system while increasing individual budgets up to the \$1.7 million target proposed by the WSC RFP.

This targeted investment is designed to drive significantly better employment outcomes for the entire WSC System and support the Mayor's Five-Year Plan with the goal of connecting Angelenos to 50,000 high-quality, living wage jobs by 2030.

PROCUREMENT PROCESS

Due to the comprehensive strategic planning and redesign processes undertaken by EWDD and the WDB, and to comply with federal procurement timelines, EWDD proposed to bifurcate the WSC System procurement process into two phases.

Phase I – Request for Qualifications (RFQ)

An RFQ was released in January 2024 to establish the qualified list of proposers while the strategic planning and redesign work was still ongoing. At the direction of the WDB, the RFQ was reopened to accommodate additional applicants on September 26, 2024.

The RFQ sought to identify community-based organizations that had the requisite experience and capacity to operate a WSC program. Ultimately, a total of twenty-five (25) organizations were vetted and placed on the List of Qualified WSC Operators, as approved by the WDB on December 10, 2024.

Successful proposals met the requested qualifications and demonstrated ability in the following areas: Financial Information, Personnel Information/Organizational Leadership, WIOA Experience, and/or other non-WIOA Employment and Training Experience, Facility

Management/Key Workforce Partnerships. Applications were evaluated on a Pass/Fail basis.

Organizations on the qualified list were subsequently invited to submit a proposal in response to Phase II of this procurement.

Phase II – Release of Request for Proposals to the Qualified List

Upon City Council and Mayor approval of the proposed WSC Redesign, EWDD released Phase II of the WSC RFP. On July 16, 2025, EWDD released the 2025 WSC Operators RFP to the WSC Operator Qualified List (25 organizations) that resulted from Phase I. The RFP focused on Program Design, Employer Engagement, Performance Outcomes and Business Results, Facility Site Readiness, Budget/Cost Reasonableness, and Leveraged Resources.

Applicants were to submit a maximum of two (2) proposals to any of the seven (7) Area Planning Commissions (APC): East Los Angeles, South Los Angeles, Central Los Angeles, West Los Angeles, Harbor, South Valley, and North Valley. The proposal package consisted of a series of exhibits with narratives, flowcharts, tables, and attachments, which provided the applicant with an opportunity to articulate its unique approach.

Twenty-one (21) eligible proposals were submitted by fifteen (15) operators on the qualified list by the final deadline of October 9, 2025.

Proposal Review Process

EWDD utilized a combination of internal subject matter experts and external independent reviewers to score all twenty-one (21) proposals. Internal subject matter experts focused on quantitative elements of rating, including proposed program outcomes and cost reasonableness. Eight (8) external raters focused on qualitative elements of the RFP, including program narratives and flowcharts. Raters included workforce development professionals from the following regions:

- Riverside, California,
- Boston, Massachusetts,
- Las Vegas, Nevada,
- Baltimore, Maryland,
- Monterey, California.

Proposals were scored on a 100-point basis, comprised of the following evaluation categories:

- Program Design (25 Points)
- Employer Engagement (20 Points)
- Performance Outcomes & Business Results (25 Points)
- Facility Site Readiness (10 Points)
- Budget/Cost Reasonableness and Leveraged Resources (20 Points)

To be considered for funding, proposals were required to obtain a minimum score of 70 points. However, a score of 70 points or greater did not guarantee that a proposal would be funded.

Notification of Proposal Review Results

The WSC RFP Notification Letters were released on Friday, January 16, 2026. Proposers were notified of their score and whether they would be recommended for funding. The notification included information regarding the appeals process as described in the RFP.

Table 1 displays the agencies selected by proposed APC, CPA, total score, and whether or not agencies were recommended for funding.

Table 1 – Final Scores and Recommendations

Proposed APC	CPA	Proposer Name	Score	Recommendation
Central LA	Hollywood	Managed Career Solutions	75	Recommended
	Westlake	Pacific Asian Consortium in Employment	75	Recommended
	Downtown	Chinatown Service Center	66	Not Recommended
East LA	Northeast LA	Goodwill Southern California	85	Recommended
Harbor	Wilmington	Managed Career Solutions	77	Recommended
	Wilmington	Asian American Drug Abuse Program	71	Not Recommended
North Valley	Sylmar	Goodwill Southern California	86	Recommended
	Sun Valley - La Tuna Canyon	El Proyecto del Barrio	75	Recommended
	Sylmar	El Centro De Amistad	73	Not Recommended
	Arleta - Pacoima	Equus Workforce Solutions	71	Not Recommended
South LA	Southeast LA	Coalition for Responsible Community Development	79	Recommended
	West Adams – Baldwin Hills – Leimert	Asian American Drug Abuse Program	75	Recommended
	Southeast LA	Housing Authority of the City of Los Angeles	73	Recommended
	West Adams – Baldwin Hills – Leimert	UAW-Labor Employment and Training Corporation	55	Not Recommended
	West Adams – Baldwin Hills – Leimert	LA Urban League	50	Not Recommended
	Southeast LA	Watts Labor Community Action Committee	41	Not Recommended
South Valley	Canoga Park – Winnetka – Woodland Hills – West Hills	Alliance for Community Empowerment	77	Recommended
	Canoga Park – Winnetka – Woodland Hills – West Hills	El Proyecto del Barrio	75	Not Recommended

Proposed APC	CPA	Proposer Name	Score	Recommendation
	Canoga Park – Winnetka – Woodland Hills – West Hills	El Centro De Amistad	73	Not Recommended
	Canoga Park – Winnetka – Woodland Hills – West Hills	Equus Workforce Solutions	72	Not Recommended
West LA	West LA	JVS SoCal	73	Recommended

A total of four (4) organizations did not receive qualifying scores, including two (2) existing WSC Operators: Watts Labor Community Action Committee (WLCAC) and United Auto Workers (UAW) - Labor Employment and Training Corporation. Various organizations that did not qualify were impacted by factors such as missing exhibits from the proposal, budgets submitted after the deadline, and budget exhibits submitted in an incorrect, unevaluable format.

Proposals that achieved a score of 70 or higher will constitute the Replacement Operator list for the WSC System to remain in place for the duration of the procurement cycle (4 years).

PROPOSED TERM OF CONTRACTS

The term of the contracts resulting from this RFP is for the period July 1, 2026, to June 30, 2027, a period of twelve (12) months, with an option to renew for up to three (3) additional, one-year program terms.

RECOMMENDATIONS

EWDD’s recommendations outlined in Table 2 below continue funding for fourteen comprehensive WSCs across the City. This recommendation allows the City’s workforce system to operate critical programs across all regions of the City while continuing long-standing efforts to emphasize services to those regions of the City with the greatest need. EWDD proposes to allocate funds by APC, with priority given to those CPAs of the City identified as having high incidences of poverty and unemployment and low educational attainment. EWDD utilized the most recent American Human Development Index (HDI) data available to identify CPAs with the highest need. Developed by Measure of America, the American HDI measures three fundamental dimensions within each CPA: health, access to knowledge, and standard of living.

As noted above, to maintain the current number of WSCs while implementing the recommendations of the WSC Redesign, including establishing minimum wage requirements for case managers, increasing training and supportive services funding for program participants, and expanding funding for homeless services through subcontract agreements, EWDD will first reassess the allocation of existing WIOA funds through the Annual Plan to identify opportunities to better align current resources with these priorities. To the extent that existing WIOA resources are insufficient to fully support implementation of the redesigned, high-impact program model, it may be necessary for the City to augment WIOA funding with City GF dollars. EWDD estimates that an increased investment of up to \$3.4 million would allow the City to provide the additional resources

needed to fully implement the program model described in this RFP. Table 2 below identifies the list of recommended service providers by APC and CPA.

Table 2 – Recommended Service Providers

#	Recommended WSC Operator	CPA	APC
1	Managed Career Solutions	Hollywood	Central LA
2	Pacific Asian Consortium in Employment	Westlake	
3	Goodwill Industries of Southern California	Northeast LA	East LA
4	Reprocure	Boyle Heights	
5	Managed Career Solutions	Wilmington	Harbor
6	Goodwill Industries of Southern California	Sylmar	North Valley
7	El Proyecto del Barrio	Sun Valley - La Tuna Canyon	
8	Coalition for Responsible Community Development	Southeast LA - Vernon Central	South LA
9	Housing Authority of the City of Los Angeles	Southeast LA - Watts	
10	Asian American Drug Abuse Program	West Adams – Baldwin Hills – Leimert	
11	Reprocure	West Adams – Baldwin Hills – Leimert or South Los Angeles	
12	Reprocure	Southeast Los Angeles / Watts	
13	Alliance for Community Empowerment	Canoga Park – Winnetka – Woodland Hills – West Hills	South Valley
14	JVS SoCal	West LA	West LA

Lastly, for areas where the City did not receive enough eligible proposals, including the Boyle Heights CPA, a second Southeast Los Angeles / Watts WSC, and a second West Adams–Baldwin Hills–Leimert or South Los Angeles CPA, EWDD recommends up to three (3) months of continued funding for the existing providers as outlined in the table below. A new RFP will be released within four to six weeks of this report to identify service providers for regions labeled as “Reprocure” in Table 2. EWDD proposes a three-month extension with existing service providers in these regions in order to ensure a continuation of services during the re-procurement process.

Table 3 – 3-Month Extension

WSC Site	Current Operator
Boyle Heights	Managed Career Solutions
West Adams–Baldwin Hills–Leimert	UAW-Labor Employment and Training Corporation
Southeast Los Angeles / Watts	Watts Labor Community Action Committee

APPEALS PROCESS

The recommendations included herein were subject to the appeals process outlined in RFP Section 2.16. Specifically, proposers had the right to appeal procedural issues in the administration of this RFP.

A total of three (3) appeals were received from three (3) proposers by the appeals submission deadline of January 28, 2026, as set forth in the funding notification letters. Appeals were submitted from the following applicants:

- UAW-Labor Employment and Training Corporation for the organization’s West Adams–Baldwin Hills–Leimert CPA (South Los Angeles APC) proposal
- Los Angeles Urban League for the organization’s West Adams–Baldwin Hills–Leimert CPA (South Los Angeles APC) proposal
- Watts Labor Community Action Committee for the organization’s Southeast Los Angeles/Watts CPA (South Los Angeles APC) proposal

An appeals hearing was held on Thursday, February 19, 2026. The WDB Appeals Board upheld EWDD’s recommendations to deny all appeals. The decision of the WDB Appeals Board is considered final.

WDB ACTION

In accordance with the WDB-LEO Agreement, on January 29, 2026, the WDB approved the recommendations contained herein regarding the results of the 2025 WSC RFP for Program Year 2026-27. Finalized funding amounts will be included in the Year 27 Annual Plan.

Frederick L. Jackson

FREDERICK L. JACKSON
Interim General Manager

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LaShondra Mercurius, Chair
Workforce Development Board