



*Santa Cruz County Workforce Development supports the Community by cultivating economic vitality and assisting Jobseekers by creating programs to train, educate, and support the workforce to develop key and timely skills. We assist Business to secure the talent they need to thrive now, and into the future.*

## **Workforce Development Board - Special Meeting**

**Wednesday, April 16, 2025 @ 8:30 am - 12:00 pm**

**Location: Community Room**

**500 Westridge Dr., Watsonville, CA 95076**

### **Call to Order/Welcome**

### **Non-agenda Public Comment**

### **Chairperson's Report**

### **WDB Strategic Plan (no action required):**

- Facilitated by Ari Malka & Robert Sainz, New Ways to Work

### Meeting Purpose

To collaboratively identify and prioritize the most critical workforce development themes for Santa Cruz County, based on extensive stakeholder input and data, and to begin shaping the strategic direction for the 2025–2030 Workforce Development Plan.

### Tentative Schedule

1. Welcome & Opening Remarks – 8:30-8:45 AM
2. Overview of Process and Key Findings [Attachment #1] – 8:45-9:15 AM
3. Using Data to Drive Strategy – 9:15–9:30 AM
4. Review of Emerging Priority Areas [Attachment #2] – 9:30-9:45 AM
5. Break – 9:45-10:00 AM
6. Breakout Activity – 10:00-11:00 AM
7. Synthesis and Debrief – 11:00-11:30 AM
8. Next Steps and Implementation Timeline – 11:30-11:50 AM
9. Closing Remarks – 11:50-12:00PM

### **Adjournment**

#### **Next Meeting:**

**Workforce Development Board-Executive Committee**

**May 7, 2025 @ 8:30 am**

**Location: Workforce Santa Cruz County, Watsonville Career Center  
500 Westridge Dr., Watsonville, CA 95076**

**Workforce Development Board**

**May 28, 2025 @ 8:30 am**

**Location: Community Room  
500 Westridge Dr., Watsonville, CA 95076**

*The County of Santa Cruz does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefit of the services, programs, or activities. This meeting is located in an accessible facility. If you are a person with a disability and require special assistance in order to participate in the meeting, please call (831) 763-8900 (TDD/TTY- 711) at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format. As a courtesy to those affected, please attend the meeting smoke and scent free.*

# RESEARCH METHODOLOGY



## Customer Surveys

38 customer surveys conducted to gather direct feedback



## Community Member Surveys

13 surveys completed by community members



## Stakeholder Interviews

8 one-on-one interviews with key stakeholders



## Community Sessions

- **11 interactive sessions**
  - *Educational Partners*
  - *Job Seekers*
  - *Mandated Partners*
  - *North & South County*
  - *Employers*



## SWOT Analysis Sessions

- **3 SWOT analysis workshops**
  - *SSC Workforce Dev Team*
  - *Adult System Providers*
  - *Youth System Providers*



261,000

POPULATION (2023)

Down 14k (5.2%) over last 5 yrs



59.0%

EMPLOYMENT RATE (2023)

130k employed out of 221K (16+); down 5% since 2019



13%

POVERTY (33,177)

1/3 = 18-34 yrs old; 54% of total in North County



2,536

OPPORTUNITY YOUTH

SC County OY = 5.9%; CA = 10.9%



13.3%

NO HS DIPLOMA

Less than state avg (15.2%)



32%

55 AND OLDER

Retirement risk is a little higher relative to CA



86% and 35%

RACIAL & ETHNIC DIVERSITY

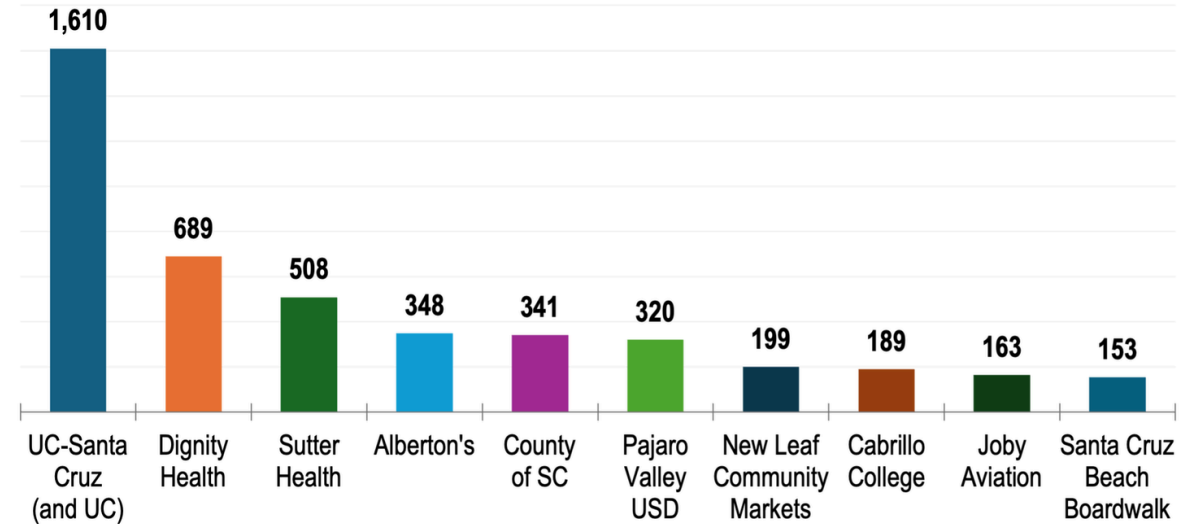
Population mostly white; over 1/3 Hispanic/Latino

# POPULATION OVERVIEW

# SANTA CRUZ COUNTY SNAPSHOT

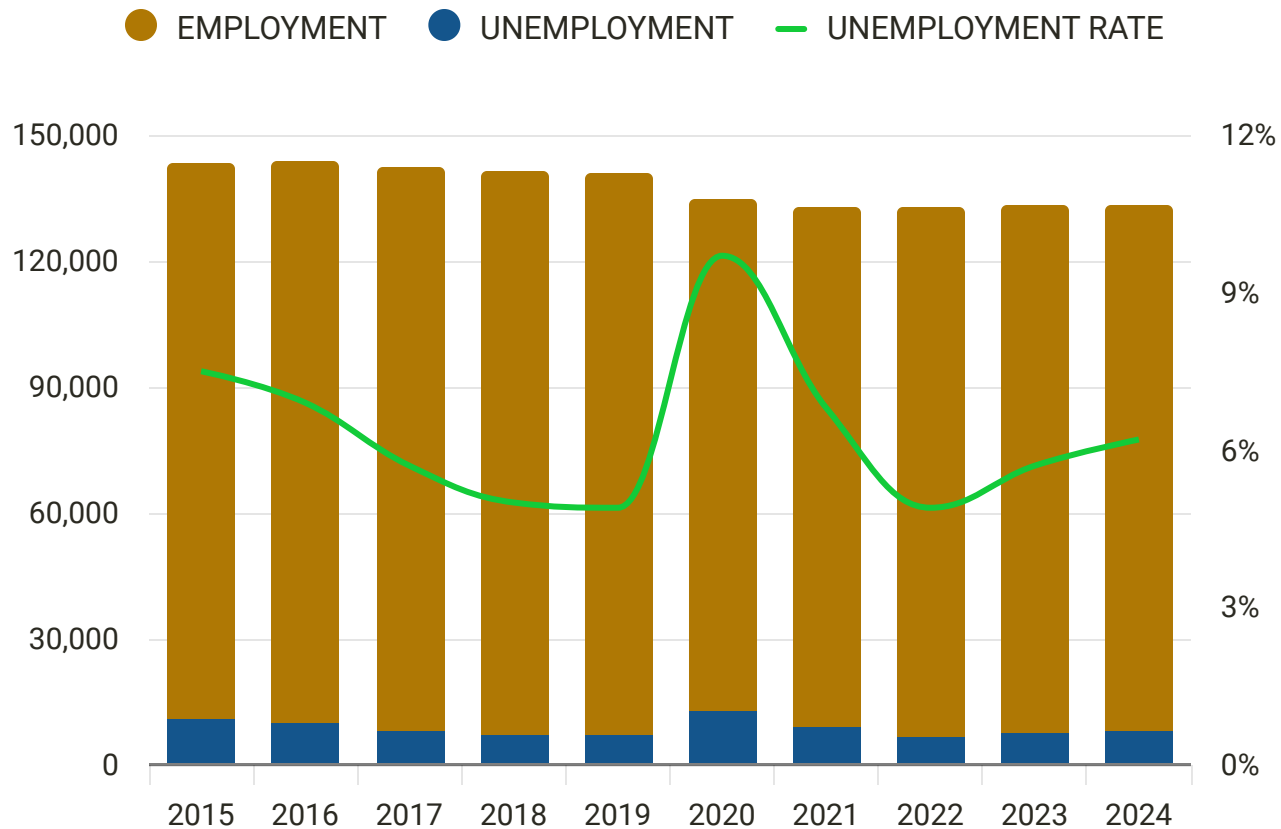
- As of 2024, population declined by 5.1% since 2019. Population is expected to decrease by 4.1% between 2024 and 2029.
- From 2019 to 2024, jobs declined by 2.5%. As number of jobs declined, the labor force participation rate decreased from 61.2% to 60.0% between 2019 and 2024.
- The top three industries in 2024 were Restaurants and Other Eating Places, Crop Production, and Education and Hospitals (Local Government).

Unique Postings (Jan 2024 - Mar 2025)



Educational Attainment	% of Population
Less than 9th Gr	7.5%
9th Gr to 12th Gr	5.8%
HS Diploma	13.5%
Some College	19.0%
Associate's Deg	9.8%
Bachelor's Deg	25.1%
Graduate Deg and Higher	19.4%

# LABOR MARKET SNAPSHOT



## Key Takeaways

- 2020: Sharp employment drop and unemployment spike (COVID-19; 9.7%)
- 2021–22: Strong recovery—employment rebounded; unemployment fell to 4.9%
- 2023–24: Signs of softening—employment dipped slightly; unemployment rose to 6.2%.

*Labor market has not fully returned to pre-pandemic strength, with recent data suggesting a potential slowdown*

# Comprehensive Priority Areas Emerging from Stakeholder Engagements, Surveys, & SWOT Analyses

## 1. JOB QUALITY & ECONOMIC MOBILITY

Workforce efforts must focus on placing people into high-quality jobs with growth potential, not just job placement. Many participants emphasized the lack of livable wages, benefits, and long-term career stability. Workers remain stuck in low-wage, high-turnover jobs that don't provide a pathway to economic self-sufficiency.

- ✧ *High cost of living in Santa Cruz County (SCC) exacerbates the impact of low-wage jobs, requiring higher income thresholds for stability.*
- ✧ *Job seekers and stakeholders called for clear, stackable career pathways that lead to upward mobility.*
- ✧ *Entrepreneurship and hands-on careers were often cited as preferred paths, particularly among younger job seekers.*
- ✧ *Employers noted retention is tied directly to wages, housing access, and opportunities for advancement – not just job placement.*

## 2. WORKFORCE SYSTEM ACCESSIBILITY & NAVIGATION

The local workforce system can be difficult to access and navigate for both job seekers and employers. Many people do not know where to start or whom to contact, and even those who engage with the system often face slow, outdated processes. Improving visibility, responsiveness, and coordination across partners is essential.

- ✧ *Stakeholders report that WIOA programs are poorly marketed and enrollment processes are slow and outdated.*

- ✧ *Waitlists, limited program capacity, and lengthy intake timelines discourage participation.*
- ✧ *Stronger integration with community-based organizations was identified as a critical access point, especially in South County.*
- ✧ *Both job seekers and employers voiced confusion around who to contact and how to get help from the system.*

## 3. SKILLS GAPS & TRAINING ALIGNMENT

There is a consistent mismatch between the skills workers have and the skills employers need. While training opportunities exist, they are often disconnected from local labor market demand, and do not always include the soft skills employers value. Realigning training systems with current and future employer needs is a recurring priority.

- ✧ *Employers emphasized the need for real-time labor market alignment, particularly in healthcare, tech, and trades.*
- ✧ *Soft skills like communication, professionalism, and reliability remain critical gaps in the workforce.*
- ✧ *Several stakeholders suggested integrating employers more directly into curriculum development and training delivery.*
- ✧ *Stakeholders recommended expanding earn-and-learn models that combine training with paid work experience.*

## 4. BARRIERS TO EMPLOYMENT FOR UNDERSERVED POPULATIONS

Structural barriers continue to limit access to employment for many residents, including justice-involved individuals, immigrants, youth,

and people with disabilities. Stakeholders stressed the need for more holistic approaches that wrap workforce services with transportation, housing, mental health, and other essential supports.

- ✧ *Transportation, childcare, and housing instability were among the most often cited barriers.*
- ✧ *Language barriers and lack of digital literacy limit access to both jobs and services.*
- ✧ *Programs serving vulnerable populations are underfunded and difficult to scale – only a fraction of those in need are served.*
- ✧ *Employers are often unaware of the incentives or supports available for hiring individuals facing barriers to employment.*

## 5. YOUTH & YOUNG ADULT WORKFORCE ENGAGEMENT

Youth and young adults, especially those who are disconnected from school or employment, face distinct challenges when entering the workforce. Despite a strong commitment to youth programs in the county, many young people still lack access to the resources, exposure, and support needed to transition into quality careers. Strategic planning must address these gaps through intentional, youth-centered engagement and program design.

- ✧ *Career exploration, mentorship, and work-based learning opportunities are not equitably accessible.*
- ✧ *Foster youth, homeless youth, and justice-involved youth need direct funding streams and targeted programs.*
- ✧ *Internship and apprenticeship programs face liability, cost, and coordination barriers – especially for youth under 18.*
- ✧ *Youth are often funneled into narrow career pathways without broader exposure to regional labor market opportunities.*

## 6. EMPLOYER ENGAGEMENT & INDUSTRY PARTNERSHIPS

Robust employer engagement is essential to building a workforce system that meets real hiring needs. Currently, businesses – especially small and mid-sized employers – report a lack of awareness of available resources, inconsistent involvement in training, and limited partnerships with workforce programs. Expanding and deepening these relationships is key to improving job placement and system responsiveness.

- ✧ *Smaller businesses often feel left out or unaware of workforce board services and funding resources.*
- ✧ *Employer trust and participation could be strengthened through industry-specific advisory groups and co-developed programs.*
- ✧ *Sector-based training models show promise but need consistent funding and business input to succeed.*
- ✧ *Employers suggested that workforce services need to be faster and more responsive to changing hiring needs.*

## 7. WORKFORCE EQUITY & INCLUSIVE ECONOMIC DEVELOPMENT

To ensure all residents benefit from workforce investments, equity must be a central focus of planning and implementation. Barriers related to race, ethnicity, language, geography, and disability persist throughout the workforce system. Addressing these disparities requires intentional strategies, better data, and inclusive outreach and programming across all populations and communities.

- ✧ *Rural communities and Spanish-speaking business owners are often underserved or excluded from outreach and funding opportunities.*
- ✧ *Programs that work with harder-to-serve populations are rarely incentivized or rewarded in funding models.*

- ✧ *The board should track and publish equity outcomes and include diversity goals in its strategic planning.*
- ✧ *Equity efforts must also address internal systems – ensuring staff, leadership, and providers reflect the communities served.*

## 8. DIGITAL ACCESS & TECHNOLOGY SKILLS

Digital skills and access to reliable technology are no longer optional – they are essential for full participation in the modern workforce. Many residents still face significant challenges related to digital literacy, internet access, and equipment availability. Addressing these gaps will be critical to building an inclusive and future-ready workforce.

- ✧ *Participants called out a lack of digital training programs, particularly for older workers and underserved groups.*
- ✧ *Broadband gaps persist in rural and lower-income urban neighborhoods, limiting remote work opportunities.*
- ✧ *Reskilling in response to automation (especially in logistics and manufacturing) is necessary to future-proof the workforce.*
- ✧ *Access to equipment (laptops, devices) and digital navigation support is critical for participation in training and remote jobs.*

## 9. SUPPORT FOR SMALL BUSINESSES & ENTREPRENEURSHIP

Small businesses and entrepreneurs drive innovation and economic growth in SCC, yet many are not well-integrated into workforce development efforts. Stakeholders emphasized the need to reduce barriers, expand access to technical assistance, and incorporate entrepreneurship training as a valid pathway for economic mobility. Gig workers and self-employed individuals also require more inclusive program design and support.

- ✧ *Many small business owners lack access to training, technical assistance, and capital.*
- ✧ *Gig workers and self-employed individuals often do not qualify for traditional workforce programs, creating a gap in support.*
- ✧ *There is a need to integrate entrepreneurship training into existing workforce development pipelines.*
- ✧ *Stakeholders called for simplified application processes and multi-language support to expand access to small business programs.*