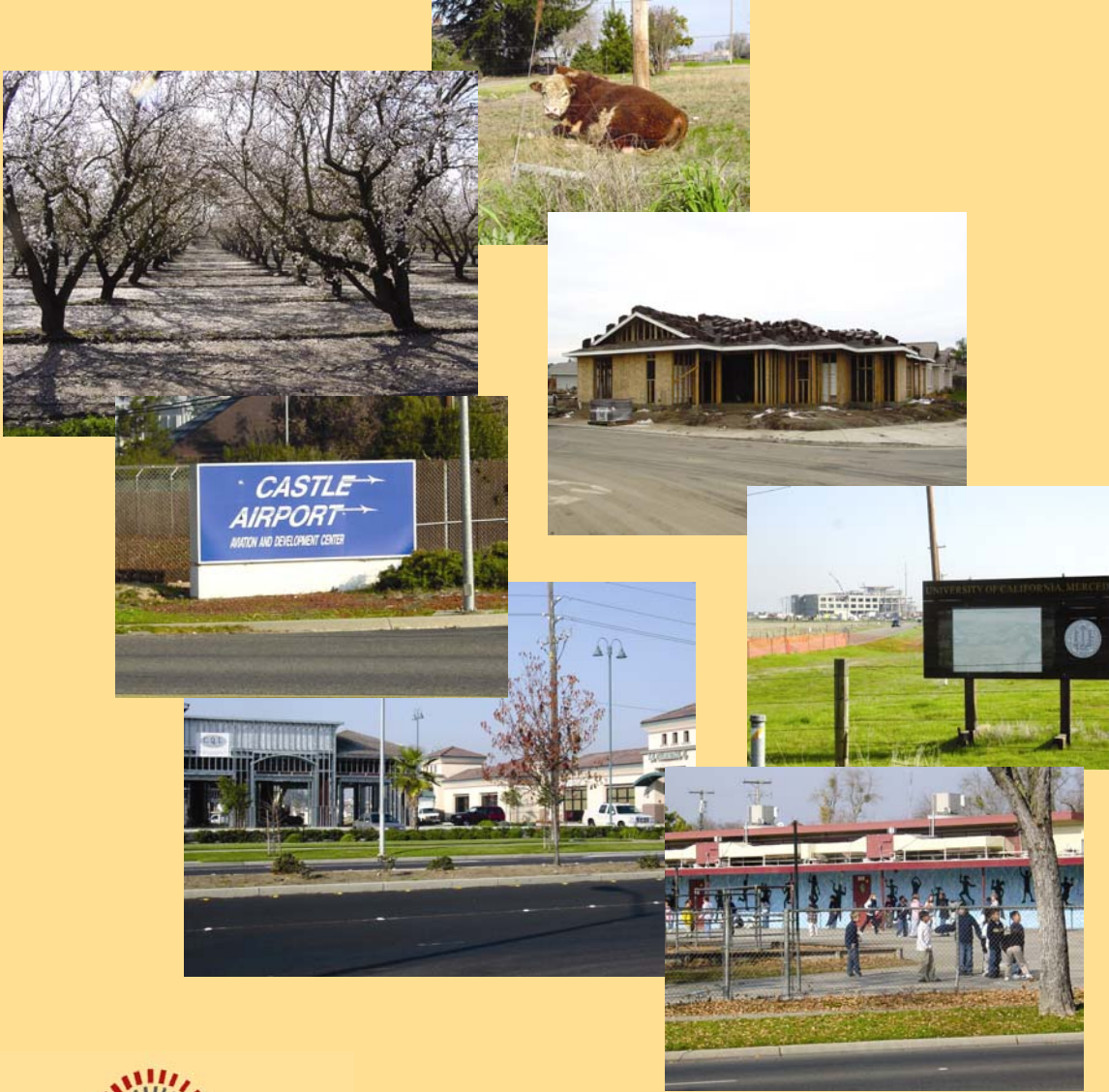


2004

State of the Workforce



WORKFORCE
INVESTMENT BOARD
MERCED COUNTY

Merced County

FOREWORD



Nellie McGarry, Chair
Merced County Workforce Investment Board

“It is our privilege, on behalf of the Merced County Workforce Investment Board, to make this report available to all stakeholders as a tool when considering policy and action to improve Merced County’s quality of life.”



John Heading, Immediate Past Chair
Merced County Workforce Investment Board

In its ongoing effort to promote the economic prosperity and long term growth in Merced County, the Merced County Workforce Investment Board is pleased to provide this State of the Workforce report.

The purpose of the report is to inform and educate citizens, employers, and the leaders of education, economic development, government, public and private stakeholders, and community and faith based organizations about the many challenges Merced County is faced with, particularly as it relates to the workforce.

In keeping with the Workforce Investment Board’s vision to “*keep pace with new growth, the emerging economy, and the ever changing needs of the employers by creating a better educated, highly skilled workforce that is capable, prepared, and thoroughly knowledgeable*” this report will then be used to engage all stakeholders in exploring solutions for a more vital and healthy workforce and economy.

Over the last year the Workforce Investment Board has convened and facilitated several panels on critical regional strategic issues impacting Merced County. Education, workforce housing, and economic development have been identified as those issues integral to the success of ultimately improving and resolving the many other challenges, such as poverty, child care, and transportation that we face.

The Merced County Workforce Investment Board looks forward to the continued collaboration with stakeholders, including the Merced County Board of Supervisors as we forge ahead in our efforts to build a healthier workforce and economic development system.



Nellie McGarry
Chair



John Heading
Immediate Past
Chair

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SOURCES

California Department of Education

City of Merced Planning Department

Employment Development Department (EDD), Labor Market Information Division

Great Valley Center Report

Housing Authority of the County of Merced

Merced County Commerce, Aviation, and Economic Development

Merced County Economic Development Corp. (MCEDCO)

Merced County Office of Education

Merced County Planning Department

Merced County Publication

Merced County Workforce Investment Board (WIB)

Merced Sun-Star

U.S. Census Bureau, 2000

U.S. Department of Labor, Bureau of Labor Statistics

THE COMMUNITY



Merced County is located in the heart of the San Joaquin Valley and is known as the Gateway to Yosemite.

Merced County has many positive characteristics and attributes. It is also faced with many challenges for its residents.

Merced County was created in 1855 from a portion of Mariposa County and prepares to celebrate its Sesquicentennial in 2005. The county derives its name from the Merced River; *El Rio de Nuestra de la Merced* (River of Our Lady of Mercy) was named in 1806 by an expedition led by Spanish explorer Gabriel Moraga.

Merced's 2,008 square miles are in the heart of the San Joaquin Valley, extending from the coastal ranges to the foothills of Yosemite National Park.

More than half of the county's land is made up of an agriculturally-rich alluvial plain produced by the Chowchilla, San Joaquin, and Merced Rivers. Agriculture is one of the county's main sources of revenue and, based on production, Merced is the fifth-leading agricultural county in California. Milk and related products from Merced's commercial dairies generate the greatest amount of revenue. Other crops grown in commercial quantities include poultry, beef, almonds, and tomatoes.

Some of the county's fastest growing industries include natural resources and mining, other services, and educational and health services.

Merced is the county seat and is the largest of six incorporated cities with a population of 67,600. The current county population is estimated to total 225,100. Department of Finance estimates Merced County will be home to 322,700 residents by the year 2020, a more than 43% increase over its current population.

Merced County is home to the tenth University of California campus known as UC Merced, currently under construction. The first class is scheduled to begin in the Fall of 2005.

Merced is also the home to a modern community college that provides educational, cultural, and social influence to the entire county.

Merced offers a small community atmosphere, residential neighborhoods, characterized by wide tree-lined streets, and homes in every economic range with typical three bedroom homes available for \$190,000 to \$230,000 as compared to a state average of approximately \$400,000.

Residents enjoy summer temperatures averaging 95 degrees, and winters averaging 55 degrees. Situated between the metropolitan areas of Fresno and Modesto, Merced allows for various cultural opportunities. With the exceptional central location in the state, coupled with good highways as well as train, bus, and air service, Mercedians are only two hours from the San Francisco Bay area and 120 miles from the picturesque seaside resorts of Santa Cruz, Monterey, and Carmel. Lake Tahoe and Reno are within a four hour drive.

Residents of Merced County enjoy a variety of recreational activities including hunting, fishing, and boating. Snow skiing, backpacking, camping, and hiking in the High Sierras and Yosemite National Park are all within a two hour drive.

EXECUTIVE SUMMARY

Merced County's challenges to creating a workforce prepared to meet current and future demands are numerous. Industries that have been targeted for growth in the area such as high tech and medical services and research are excellent examples of industries where the County's existing labor pool is woefully ill-prepared to meet any demand.

As Merced County's economy becomes more diversified, more jobs in those targeted industries will require high school and college diplomas. Because of this, the time needed to prepare a local worker to fill changing employer needs may be years.

These challenges will need to be addressed collaboratively by all stakeholders in order to create effective economic and workforce development strategies for Merced County.

Workforce Demand

Unemployment

- Merced County ranks 52 out of 58 counties for highest unemployment rates with an average rate of 15.2%.

Industry

- Agriculture, manufacturing, and retail are the dominant industries in the county.
- Government also contributes the largest shares to the total employment.
- Diversification will have agriculture's impact on local employment declining.
- Employers consistently report having difficulty finding qualified workers.

Largest Projected Growth Industries

- Services is the largest growth industry in Merced County with projected at over 27%.
- Retail trade is the second largest growth industry with the projected growth at over 22%.
- Government is the third largest growth industry with over 19%.

Impact from Growth Industries

- These mainstay sectors are dominated by low paying jobs.

Workforce Supply

Population Trends

- The County's population is currently 225,100 and is expected to grow by 43% by the year 2020.

- Median age of a Merced County resident is 29 years.
- Most educated demographic group, 45 to 64 year age group, will be exiting in large numbers.
- Younger workers, who will replace those leaving, in most cases, have considerably less education.

Demographic Patterns

- Large proportions of the population are under 15 and over 65, two groups that generally do not contribute to the labor pool.
- 28.8% are under 15, making Merced the “youngest” of all the 58 counties in California.

Poverty

- 27.9% of Merced County residents are living below the Federal poverty line.

Ethnicity

- Nearly 60% of the population is from minority groups who, in Merced County, have a lower level of educational attainment and English language proficiency.
- These are the same groups whose numbers are growing the fastest in the county.

Skill Gap

- Only 63.8% of Merced County residents age 25 or older have graduated high school.
- Nationwide, 42% of new job growth requires some post high school education.
- Only 23.6% of Merced County high school graduates are eligible to attend a

California State University or University of California campus, and only 12% of those actually enroll.

- Skill gaps identified include basic reading and math skills, management, computer, chemical and materials related skills, and commercial skills.

Commuters

- Over 18,000 residents commute to work outside Merced County.
- The impact is the potential retail leakage of dollars spent outside Merced County.
- Residents typically commute because of low wages, poor benefits, and lack of job opportunities in Merced County.
- Merced County has the lowest average hourly wage of \$14.88 in the Central Valley.

Regional Strategic Issues

The Merced County Workforce Investment Board has identified the following three issues as critical to improving Merced County’s “State of the Workforce”.

Economic Development

- UC Merced and its community will trigger new residential growth expected to exceed 25,000 persons over the next two decades.
- Merced County is home to three of the world’s largest food processing facilities: Hilmar Cheese, Foster Farms Poultry, and Morningstar Packing.
- Merced is experiencing significant investment in construction materials and supplies businesses.

- A major growth pole is Castle Airport and Aviation Development Center with plans for a commercial airport.
- Aviation investment will target cargo, freight, and courier craft.
- High tech and bio tech firms are assessing the Central Valley as an affordable location.
- The pending Riverside Motorsports Park will add a new dimension to the economic base.
- Target growth sectors include: food processing/packaging, wood/metal fabrication (components), construction materials/supplies, logistics (ground and air), health care/education, business services (FIRE), leisure/hospitality and child care.

Education

- Merced County has 20 school districts, 88 school sites, and a student enrollment of 54,541 in 2003/2004.
- English language learners make up 32% of the enrollment and 66.7% are eligible for free/reduced meals.
- Ethnicity distribution for 2003/2004 was 31,180 Hispanic/Latino, and 14,938 White (non-Hispanic), the remaining were not identified or of other ethnicities.
- API scores for 2003 for the county were 642 and 656 for 2004 compared to the State of 683 and 693, respectively.
- SAT scores for combined verbal and math for school year 2003/2004 for the county was 917, compared to a State of 1015.

- California High School Exit Exam (CAHSEE) results for 2004 indicate 69% of Merced County students passed the reading & 68% passed the math, compared to statewide results of 75% and 74%, respectively.

Workforce Housing

- Merced County was recently listed ninth least affordable place to buy a home in the United States.
- The median household income in Merced County in 2004 was \$49,100.00 with the median home value at about \$235,000.
- Only 10% of the people who earned the median income can afford to buy a home.
- The waiting list for public housing exceeds 1,500 with a two to three year waiting period.
- The Housing Choice Voucher Program (Section 8) has over 2,600 on the waiting list, 600 in search of units, and over 2,700 voucher holders.

Implications for Action

The Merced County Workforce Investment Board has defined and supports several actions that need to happen by all stakeholders, decision-makers, and those that can influence change related to Economic Development, Education, and Workforce Housing. These actions are further defined within the “Implications for Action” section of this report.

WORKFORCE DEMAND

Merced County Today

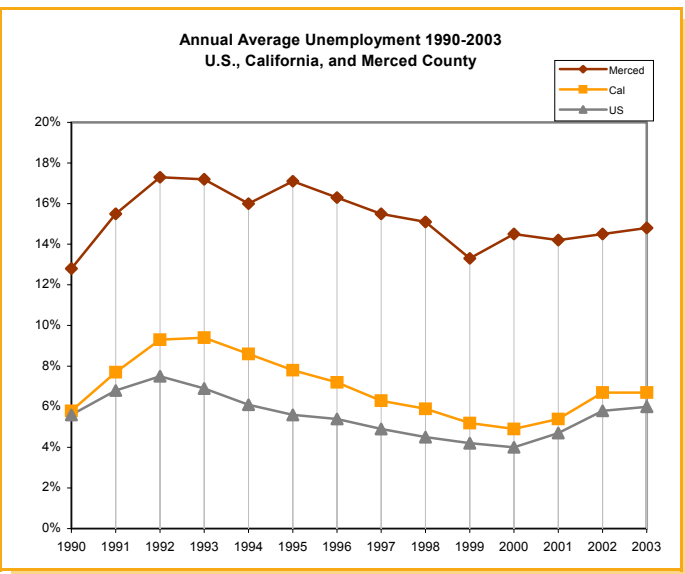
Merced County is in the midst of a workforce crisis among the worst in the entire nation. While workforce development efforts face significant challenges nationwide, Merced County's obstacles to creating a workforce capable of meeting current and future demands are enormous. The skills gap in Merced County is significant and is only expected to increase over the next few years. In ten years available jobs could outnumber workers by 6.7 million

Merced County ranks 52 out of 58 counties for unemployment.

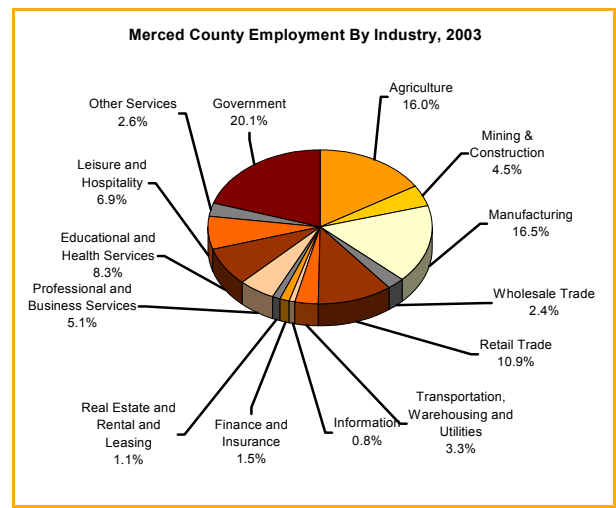
nationwide.

Unemployment

Merced County's workforce has grown over the past twenty years reflecting improvement of the county's economic well being; however, unemployment remains a consistent barrier to greater prosperity. Unemployment for November 2004 was 12.9%, preliminary rate for December 2004 is 13.8%. The county continues with one of the highest unemployment rates in the state ranking 52 out of 58 counties. Average unemployment for the period 1990 to 2003 was 15.2%. Average unemployment has fluctuated from a yearly low of 12.8% to a yearly high of 17.3% in 1992, compared to the state average of 6.7% and a U.S. average of 5.2%.



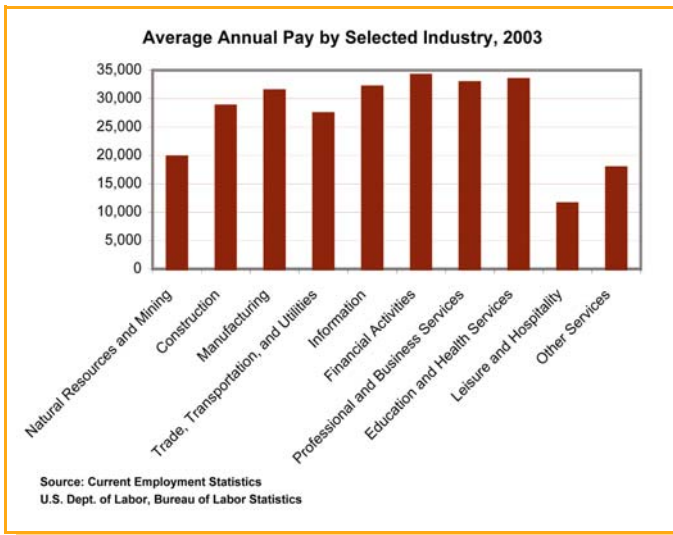
Despite the wide availability of labor suggested by the unemployment figures, existing and perspective employers consistently report having difficulty in finding qualified, skilled workers to fill even entry level jobs. High unemployment among working age adults in the region is compounded by what is commonly referred to as the "brain drain", or the perception that the region's most talented young adults leave the area due to lack of opportunities, thereby further contributing to the low skills base and sluggish economy. This theory is supported by statistics that show Central Valley counties lagging state population averages for young adult age ranges, suggesting that some working age adults may be opting to attend college and pursue careers elsewhere in California.



Industry

Agriculture, manufacturing, and retail remain the dominant industries in Merced County, contributing the largest shares (28,700) to the total employment, which is 66,100, but due to their seasonal nature contribute to the high levels of unemployment. Government also contributes one of the largest shares (13,300) to the total employment in the county. The majority of government jobs are in local government, which includes local education, city government, county government, and Indian tribal government.

However, the economy of Merced County shows great potential for diversification with agriculture's impact on local employment declining over the next 20 years. In fact, from 1994 through 2003 the Central



Valley lost nearly 10,000 agriculture-related jobs. One of the county’s fastest growing industries was natural resources and mining, which includes construction. Over the years 1998 to 2002 natural resources and mining recorded a 33.3% growth. A primary factor inhibiting local residents from finding jobs or advancing in their current jobs is not only a lack of opportunities but also a lack of skills among the local workforce. Local workers are not prepared to fill the jobs that are coming to the community.

Industry	Percent Growth	Job Growth
Services	27.4%	2,600
Retail Trade	22.5%	2,300
Government	19.3%	2,300

Largest Projected Growth Industries

Services is the largest growth industry in Merced County, as forecast by industry projections using the Standard Industrial Classification System (SIC). The growth for services industry is projected at over 27%. By SIC definition, services includes establishments engaged in providing a variety of services for individuals, business, and government establishments, and other organizations. Hotels and other lodging places; establishment providing personal, business, repair and amusement services; health, legal, engineering and other professional services; educational institutions; membership organizations, and other services are included.

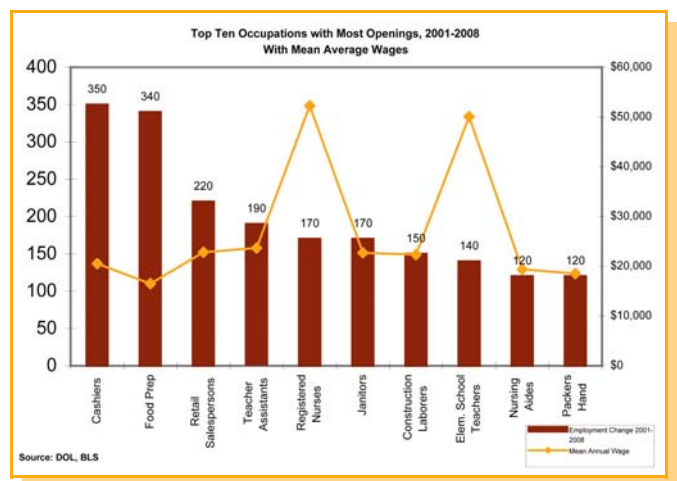
Retail trade, the second largest growth industry in Merced County at over 22%, consists of establishments that sell merchandise to the general public for personal or household consumption and are classified by kind of business according to the lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar, etc.). Retail trade includes employment in areas such as building materials and garden supplies; general merchandise stores; food stores; automotive dealers and service stations; apparel and accessory stores; furniture and home furnishings stores; eating and drinking places; and other miscellaneous retail.

Government is the third largest growth industry in Merced County with over a 19% projected growth and consists of federal, state, and local government, including local education and Indian tribal government.

Impact from Growth Industries

The main stay sectors of the economy—such as agriculture, manufacturing, and services—are dominated by low paying jobs and are less likely to offer benefits than other sectors. There are fewer opportunities for high paying occupations within these industries and career ladders are limited. Additionally, these sectors tend to be more cyclical in nature, being susceptible to weather, seasons, and outside economic conditions.

Most of the occupations projected to have the largest number of openings between 2001–2008 are in the services industry and require little training and pay low wages.



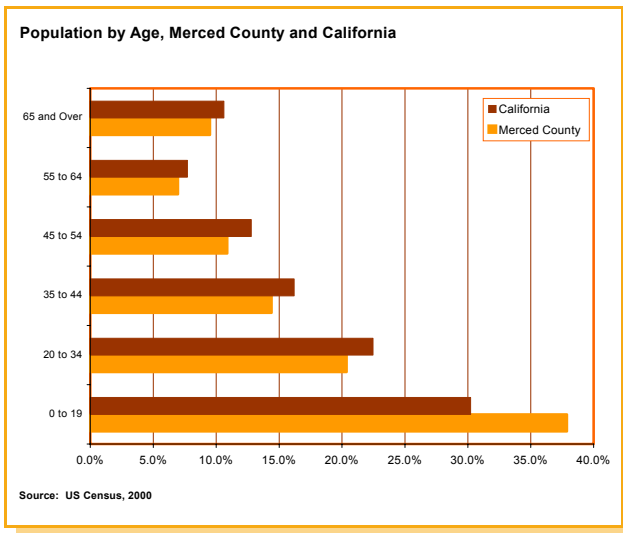
WORKFORCE SUPPLY

Merced County's Workforce

As the economy of Merced County continues to change so does the composition of the labor force. The county's population, currently at 225,100, is expected to grow by 43% by the year 2020, bringing it to 322,700, exceeding the State's growth of 22%.

Population Trends

Today the median age of a Merced County resident is 29 years. It is projected that the median age will decrease over the next 20 years, and the proportions of the population who are either too old or too young to work will increase. Contributing to this problem is the skills gap that exists between different age groups in the Merced County labor pool. Currently, the county's most educated demographic group is the 45 to 64 year age group. This is the same group that will be exiting the workforce in large numbers over the next few years and younger workers who will need to "move up" and replace retirees have in most cases considerably less education.



Demographic Patterns

Demographic patterns in Merced County add to the severity of the workforce crisis. Large proportions of the Merced County population are children under 15 and adults over 65, two groups that generally do not contribute to the labor pool. In fact, 28.8% of Merced County residents are under the age of 15, making Merced the "youngest" of all of California's 58 counties. However, even with the labor pool being proportionately smaller than many other areas,

even comparably sized rural areas, Merced County's unemployment rates, as indicated previously, are consistently in the double digits.

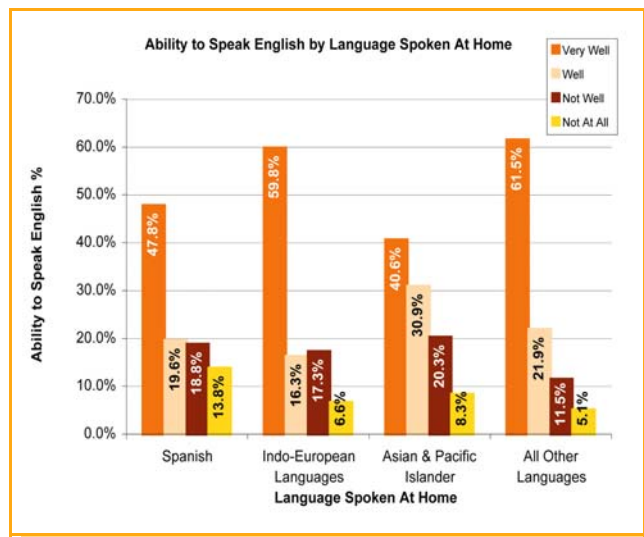
The County's population is expected to grow by 43% by the year 2020, exceeding the State growth of 22%.

Poverty

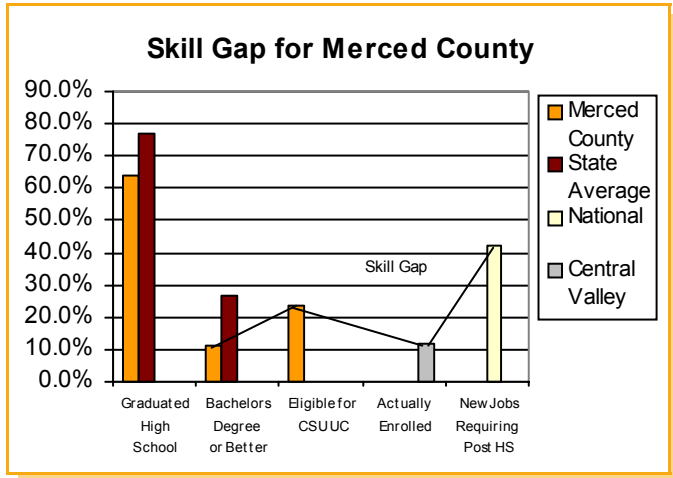
Indicative of the problems facing Merced County is the skills gap among residents and the corresponding wage gap that contributes to the high poverty rate in the area. (27.9% of residents are living below the federal poverty line, up from 21.7% in 1990, compared to 13.1% statewide and 12.5% nationally.) As long as poverty is a persistent problem throughout the county low educational attainment, low skill levels, and low employment rates (which are all correlated with poverty) will continue to plague the area.

Ethnicity

In addition to age related issues the ethnic diversity of the county will continue to shift in the future. Currently nearly 60% of the population is from minority groups who, in Merced County, have a lower level of educational attainment and lower level of English language proficiency than other groups. These are the same groups whose numbers are growing the fastest in the county. Of the 60%, in some cases over half of that population do not speak English well or not at all.



Skill Gap



Merced County is exceptionally hard hit by the skill gap due to a number of factors. The county ranks extremely low in major indicators of educational attainment for its residents. Only 63.8% of Merced County residents age 25 or older have graduated high school, and only 11% have attained a bachelors degree or better, compared to the state average of 76.8% and 26.6%, respectively (nationally, 42% of new job growth requires some post high school education). Drop out rates exceed the State average. Only 23.6% of Merced County high school graduates are eligible to attend a California State University or University of California campus, and only 12% of those actually enroll.

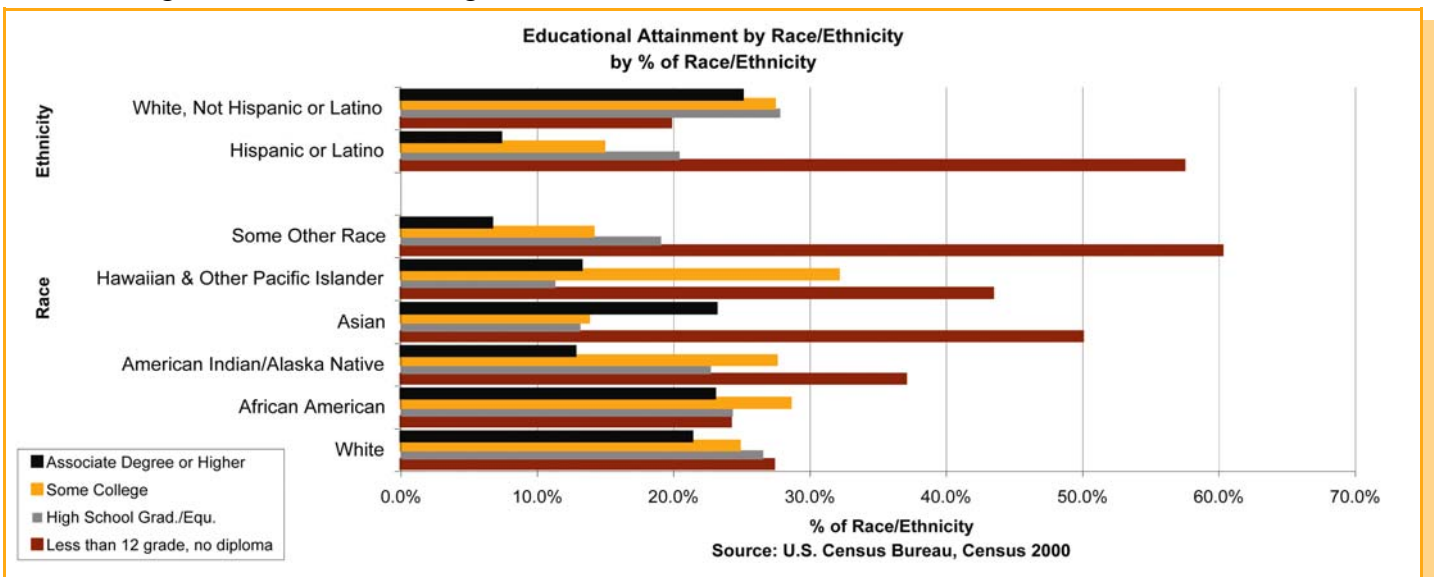
Skill gaps identified among the population include basic reading and math skills, management skills,

computer skills, chemical related skills, materials related skills, and commercial driving skills. Local employers have identified these skill gaps as being significant barriers to filling current and future job vacancies.

Employers also identified a gap commonly known as “soft skills” in the Merced County workforce. These skills refer to work ethic issues such as coming to work on time and satisfying assigned work duties. Other areas include attitude, communication, and appropriate attire and appearance. These skills, while “soft”, are viewed as a critical need by local employers in order to have a skilled workforce and to minimize the barriers to filling job vacancies.

Commuters

Affordable housing and the quality of life bring people to Merced County, however, over 18,000 residents commute to work in areas outside the county. Of that number over 11,000 are to the surrounding counties of Stanislaus, Fresno, and Madera. Over 3,000 commute to Santa Clara. The impact of this phenomenon is the potential retail leakage that occurs when their dollars are spent in those counties rather than in Merced County. More significant is why residents work elsewhere. Typically it is because of low wages, poor benefits, or lack of job opportunities in Merced County. At \$14.88, Merced County has the lowest average hourly wage in the Central Valley compared to a State average of \$19.70.



REGIONAL STRATEGIC ISSUES

The following section provides current data and information relating to the three regional strategic issues that have been identified by the Merced County Workforce Investment Board as those issues critical and integral to ultimately improving the “State of the Workforce”.

Economic Development

The collaborative economic development partnership promoting new investment in the Merced Region is implementing a strategic plan focused on education and workforce development. Business and employment growth in the area surrounding the Merced Region capitalizes on several significant phenomenon and builds upon a strong foundation of assets.

The growth and development of UC Merced and the surrounding community will trigger new residential growth expected to exceed 25,000 persons over the next two decades. UC Merced’s enrollment will grow at about 1,000 students per year in that time frame.

Historically an agricultural community, Merced County is home to three of the world’s largest food processing facilities: Hilmar Cheese, Foster Farms Poultry, and Morningstar Packing. Food processing and ancillary activity (packaging) remain a foundation of the economic base. Merced is also experiencing significant investment in construction materials and supplies businesses, also not expected to abate in the near future.

Another major growth pole is Castle Airport and Aviation Development Center. Title to 1,300 acres on Castle was recently transferred by the United States Air Force to the County of Merced, with 500 more acres expected in the Spring. The county has executed a master developer cooperative agreement with a privately funded consortium who are devising a plan to develop Castle into a commercial airport, ideally poised to access the Pacific Rim.

Primarily, aviation investment will target cargo, freight, and courier craft. Castle has one of the longest unimpeded runways in California with no curfew, minimal residential land use in close proximity, and

an overstressed 11,800 foot runway capable of accommodating a fully loaded and fueled 747. Asian markets are within nonstop flight, contrary to many other California airports where departing flights must refuel in Anchorage.

The Merced Region seeks to accommodate businesses considering relocating from California’s more expensive coastal communities. High tech and bio tech firms are already assessing the Central Valley as an affordable alternative to leaving the state and the governor’s efforts to retain and recruit businesses has already started paying dividends. Site location inquiries are on the rise while migration rumors decline.

Leisure and hospitality investment will add many amenities and services to the region. Already poised as the Gateway to Yosemite, the pending Riverside Motorsports Park will add a new dimension to the economic base and help induce new hotels, restaurants, and entertainment services.

Target growth sectors for the region were identified during the comprehensive “People, Place, and Prosperity” study, later endorsed by the participating cities and county as well as the Workforce Investment Board. Growth candidates include: food processing and packaging, wood and metal fabrication (components), construction materials and supplies, logistics (ground and air), health care and education, business services (FIRE), leisure and hospitality and child care.

Education

Merced County has 20 school districts with 88 school sites and a total student enrollment of 54,541 in the 2003/2004 school year. There are a myriad of educational programs and opportunities to assist all students ranging from Special Education, Career and Alternative Education, Regional Occupational Program (ROP), Migrant Education, Resource, Youth Opportunity Program (YOP), EMPOWER, and local school site programs too numerous to list.

English language learners comprise 32% of the enrollment compared to the state average of 25.4%

and 66.7% are eligible for free/reduced meals compared to the state average of 40.5%.

Ethnicity

The ethnic distribution is as follows for 2003/2004 enrollments:

American Indian/Alaskan	182
Asian	4,808
Pacific Islander	103
Filipino	305
Hispanic/Latino	31,180
African American	2,500
White (non Hispanic)	14,938
Not Identified	525

Graduates by Ethnicity

Graduates by ethnicity from Merced County schools in 2002/2003 are as follows:

Graduates by Ethnicity			
Merced County, 2002-03			
Ethnicity	Graduates	County	State
American Indian	15	0.40%	0.90%
Asian	399	11.90%	10.40%
Pacific Islander	5	0.10%	0.70%
Filipino	28	0.80%	3.20%
Hispanic	1,580	47.10%	34.20%
African American	143	4.30%	7.30%
White	1,173	35.00%	42.40%
Multiple/No Response	9	0.30%	0.90%
Total	3,352	100%	100%

Source: California Department of Education, Educational Demographics Office (CBEDS, sifc02 5/6/04)

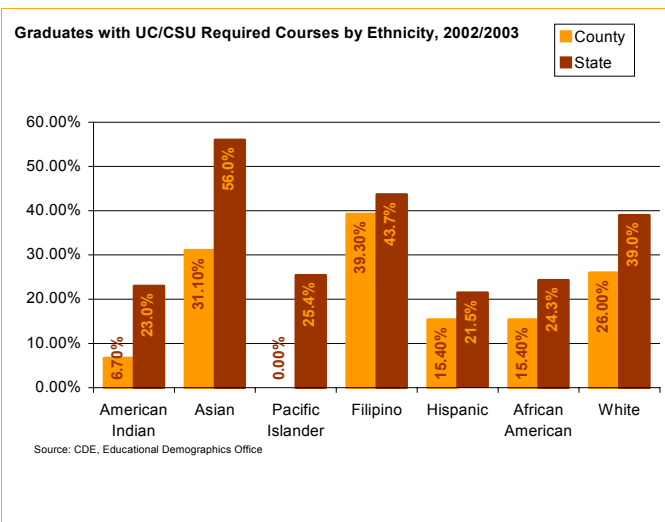
Dropout Rates by Ethnicity

Dropout rates by ethnicity for 2002/2003 are as follows:

	% County	% State
American Indian	4.2	18.4
Asian	2.9	5.5
Pacific Islander	0	18.9
Filipino	16.3	7.3
Hispanic	10	17.2
African American	9.6	17.2
White	7.4	7.5

Graduates

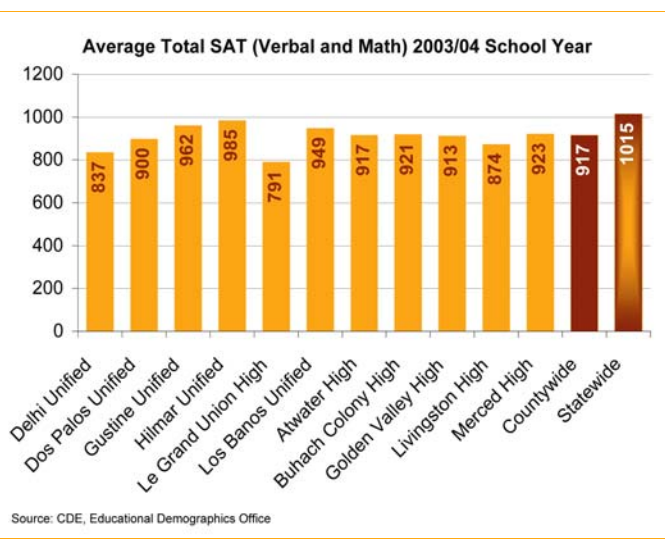
Graduates with UC/CSU required courses by ethnicity for 2002/2003 are indicated in the chart below:



SAT Scores

Average total Scholastic Aptitude Test (SAT) scores for combined verbal and math for school year 2003/2004 are indicated in the chart shown.

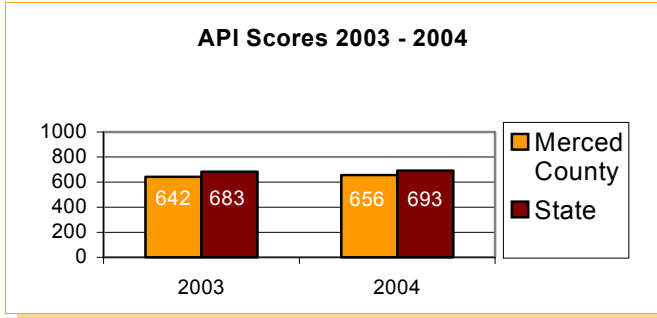
The average verbal scores for Merced County were 453 and the average math scores were 464, state averages were 496 and 519, respectively.



(2003/2004 data for graduates not available at time of print.)

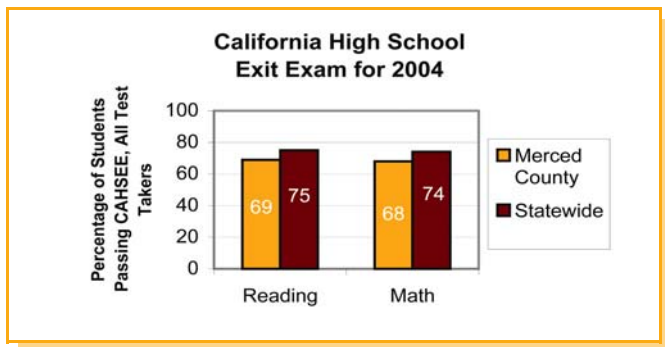
API Scores

Academic Performance Index (API) scores for school year 2003/2004 are indicated in the chart below. The statewide API performance target for all schools is 800. The API reflects a school's performance level based on the results of statewide testing.



CAHSEE

Test results for 2004 are depicted in the chart below:



Workforce Housing

Merced County has historically been an affordable place to live, but was recently listed ninth least affordable place to buy a home in the United States. Affordability is measured through median house value, median housing costs, and/or vacancy rates. Other factors that are commonly taken into consideration include desirable neighborhoods with good schools, proximity to shopping and public transportation, successful neighborhood revitalizations, and effective housing preservation.

Generally speaking, the main factors in determining affordability include the prevailing wage rates and median income of an area. Two of the largest employment sectors in the County, agriculture industry and service industry, provide some of the lowest paying occupations.

According to the State Department of Housing and Community Development, the median household income in Merced County in 2004 was \$49,100.00, an increase of about 80% from 1990, while the median home value increased to about \$235,000 in 2004, an increase of 160%. Only 10% of people who earn the median income in the county can afford to buy an average priced home here. In fact, 60% of the homes sold are purchased by outside investors.

The fair market rent for a two bedroom apartment in Merced County is \$630.00 and represents 16% of the gross income. In 2003, 48% of Merced County residents could not afford a median priced two bedroom apartment. This is up from 45% in 1999. The average monthly mortgage payment is \$1,500.00 or 37% of the median income.

Traditionally, lenders as well as the Federal Government have considered spending 30% or less of a household's income to constitute affordable housing costs. Using this as a barometer of affordability, a median income household should not be spending more than \$1,230.00 per month on housing costs, which translates to a home price of approximately of \$158,000.00. In 2000, the majority of residents could not purchase a home without exceeding the 30%.

A comparison of other California counties revealed that while Central Valley counties had much lower housing prices, they were also among the State's poorest and least educated. While Merced County appears to have relatively affordable rents and house prices as compared to other counties, it also has one of the lowest household incomes and the third highest poverty rate in the state.

According to the Merced County Housing Authority, there are 1,572 families in the county on a waiting list, with 480 units leased for the Public Housing Program, a low income rental assistance program. Currently the list is open and taking applications with a wait time of approximately two to three years. The Housing Choice Voucher Program (Section 8) has 2,705 voucher holders with 2,666 on the waiting list and 600 in search of units. This program is for very low income persons to rent privately owned rentals. This program's funding has been cut and means possibly pulling 200 vouchers.

IMPLICATIONS FOR ACTION

This State of the Workforce report is provided to describe current conditions related to the workforce in Merced County. It is not intended to prescribe certain policy decisions. The overarching goal of the report is to share data and information with community stakeholders that can and will engage them in a dialog about critical workforce issues and challenges facing Merced County.

The Merced County Workforce Investment Board suggests several opportunities and recommendations to be considered and supports the following actions that need to happen as any action plans are framed around the “Regional Strategic Issues”.

Economic Development

The Merced County Workforce Investment Board strongly recommends that a formalized regional approach take place within Merced County in order for Economic Development to be successful. The following actions are recommended and should be considered by all policy-makers:

Create a plan to formalize collaboration in Economic Development within Merced County by:

- studying successful models of regional economic development collaboratives and partnerships.
- developing and recommending a formal partnership.
- implementing the partnership.

Ensure the complete implementation of the Merced County Economic Development Strategic Plan by:

- reviewing status and recommending action.

Education

The Merced County Workforce Investment Board strongly recommends and supports the following actions take place to support the Education community involved and responsible for providing education and training to Merced County’s current and future workforce:

A Regional Educational Collaborative Support System that:

- supports continuous increases in academic performance (as outlined in the Merced County Economic Development Strategic Plan, Goal 4.0).
- secures funding to support the collaborative.
- has a focused campaign to the community about ways to best support services.
- ensures open communication with all stakeholders.

A Comprehensive Career Education System that:

- supports the development of comprehensive career education and development services for K-14 students, drop-outs and under-employed individuals. The services include K-12 career/technical education, curriculum, awareness of career pathways, Grade 9 – Adult basic skills and training (including ESL and VESL). Special emphasis should be placed on reaching out to individuals not connected to existing agencies or services and promote the development of this system through partnering with schools and agencies.

Workforce Housing

The Merced County Workforce Investment Board strongly recommends that the Merced County Board of Supervisors create a workforce/affordable housing taskforce to address the critical need for affordable housing in Merced County. The WIB further recommends that municipalities and stakeholders participate in the taskforce to develop and recommend County wide strategies related to the workforce housing issue.

Notwithstanding specific direction from the Board of Supervisors, the taskforce should make recommendations on the following:

- implementing a housing trust or other instrument to effectively set aside funds.
- engage in outreach efforts to competent, proven developers of workforce/affordable housing.
- seek out resources, partner and share resources with large entities, non-profits, etc. for resource leveraging.
- partner with private industry to develop new innovations in the production of housing.

The Merced County WIB strongly recommends the taskforce be appointed by July 2005 with the following suggested composition of members:

- 6 representatives (from incorporated cities)
- 2 WIB members
- 1 Board of Supervisor
- 1 Building Industry
- 1 Finance (ie; Bank, Lending)
- 1 Housing Authority
- 1 Insurance Industry
- 1 Real Estate
- 1 Member at Large

The Merced County Workforce Investment Board will review these “Implications for Action” for progress on an annual basis.



WIB MEMBERS

Nellie McGarry, Chair

Russ McGarry Rental Property Management

John Headding, Immediate Past Chair

Cold Stone Creamery

Mike Sullivan, Vice Chair

Golden Valley Health Centers

Lee Andersen

Merced County Office of Education

Ed Anderson

County Bank

Andrea Baker

*Merced County Department of
Workforce Investment*

Nicolas Benjamin

Merced County Housing Authority

Don Bergman

*Postage Plus and Greater Merced
Chamber of Commerce*

Bob Bittner

*State of California, Employment
Development Department*

Sharon Cresswell

Buckley Radio—Merced

Kathleen Crookham

Merced County Board of Supervisors

Ben Duran

Merced Community College

Ernie Flores

Central Valley Opportunity Center

Phil Flores

Merced County Human Services Agency

Peter Fluetsch

Fluetsch & Busby Insurance

John Fowler

*Merced County Commerce, Aviation and Economic
Development*

Scott Galbraith

*Merced County Economic
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Carol Greenberg

Independent Consultant

Jeremiah Greggains

Communications Workers Local 9407

Robert Harmon

Harmon Insurance Service

Charlie Lambert

Carpenters Local Union 25

Ned Miller

Bloss Memorial Healthcare District

Albert Montejano

Cingular Wireless

Anne Newins

Merced College, Los Banos Campus

Terry Nichols

*State of California,
Department of Rehabilitation*

Rick Osorio

*Osorio Financial/Intervalley
Insurance Services*

Alfonse Peterson

SunAmerica Securities

Carole Roberds

Merced Adult School

Al Romero

Valley Auto Wreckers

Vann (Mike) Smith

Smith & Ransom, CPAs

Steve Tinetti

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