



**Economic Impacts of Federal Immigration
Enforcement in Los Angeles County
30-Day Update of Ongoing Analysis
July 17, 2025**

Dear Los Angeles County Department of Economic Opportunity (DEO),

The LAEDC is in the final stages of compiling a comprehensive Resource Guide and developing a survey instrument to be distributed to gather qualitative data on the impacts of federal immigration enforcement on businesses.

In addition to the Resource Guide and the business survey, continuing research has been conducted. What follows is a brief update on these efforts and additional preliminary findings related to our analysis of the economic impacts of increased immigration enforcement in Los Angeles County.

Context and Scope:

Since the escalation of ICE raids beginning June 6, 2025, Los Angeles County has seen significant secondary effects impacting small businesses, workers, and neighborhoods. These cascading effects have implications for our local economy.

Our current research continues and compiles data on:

- Locations and frequency of ICE raids
- Associated protests and civil unrest
- Property damage and public costs
- Impacts on business operations and workforce participation.

Key Findings to Date:

ICE Raids and Locations:

We have identified at least 20 confirmed ICE raids across Los Angeles County since June 6, 2025.

- Raids have been concentrated in working-class and Latino neighborhoods including Pomona, Downtown LA, Downey, Pasadena, Pacoima, Bell, and Westlake.
- Raids are often targeting day laborer centers, Home Depot lots, and car washes.
- These locations are not random; they align with concentrations of immigrant workers and businesses that rely on them, amplifying local economic disruption.

Protests and Civil Unrest:

At least 10 significant protests have occurred since June 6, with large gatherings near federal buildings (e.g., Civic Center, Historic Core, Dodger Stadium).

The protests escalated following National Guard deployment on June 7, leading to a week-long curfew in Downtown LA.

Property Damage and Public Costs:

The Los Angeles City Controller has estimated \$1.4 million in immediate public property damage costs, including \$593,000 for damages to city buildings, \$523,000 for street cleanup, and \$85,700 for graffiti removal.

Some broader estimates including fire resources and overtime are placing the total taxpayer cost of ICE-related protests and enforcement impacts at over \$30 million.

Impacts on Small Businesses:

Small businesses in affected neighborhoods report sharp declines in foot traffic and lost revenues, with some experiencing up to a 90% drop in business due to heightened community fear.

- **Example:** A Mexican restaurant owner in a predominantly Hispanic neighborhood reported weekly revenue declines of \$7,000 since the raids began.
- **Example:** Fresh produce vendors are discarding unsold, rotting inventory due to fewer customers, creating additional economic and food waste concerns.

Workforce Impacts:

Preliminary analysis using U.S. Census data indicates an estimated 3.1% drop in private-sector employment in California in the week following the escalation of raids, with Latino workers reporting a 5.6% employment drop in the same period.

Reports identify that fear of raids has discouraged workers from commuting to job sites, leading to missed shifts and reduced staffing, impacting productivity and small business operations.

Why This Matters for Our Analysis:

- These elements help quantify indirect economic costs (lost revenue, employment declines, business closures).
- The data highlights industries and neighborhoods most affected (restaurants, retail, small grocers, and service sectors reliant on immigrant workers).
- Understanding the localized economic disruption is key to assessing the impacts of enforcement-heavy policies and for designing potential support mechanisms for small businesses and displaced workers.
- The findings underscore the connection between immigration enforcement actions and economic stability in communities, helping to inform recommendations for minimizing economic harm while addressing federal compliance.

Next Steps:

IAE will continue to update this economic analysis on a monthly basis as we obtain more information over time from impacted businesses, workers and affected stakeholders.

About Los Angeles County Economic Development Corporation (LAEDC) www.laedc.org

The Los Angeles County Economic Development Corporation (LAEDC) is a public-benefit nonprofit organization dedicated to advancing a strong, growing, and sustainable economy for the Los Angeles region. Now in its 44th year, LAEDC works collaboratively with partners across the county to improve the quality of life for residents by fostering job creation, supporting key industries, and strengthening the region's economic resilience. As a trusted leader, LAEDC serves the people of Los Angeles County by promoting a healthy economy and high standard of living.