

CITY OF LOS ANGELES

CALIFORNIA

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**ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

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June 16, 2025

Council File: 25-0645
Council District: 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

TRANSMITTAL: EWDD RESPONSE TO SPECIAL 2 MOTION REGARDING OUTSIDE FUNDS ELIGIBLE TO BE UTILIZED FOR ASSISTANCE PROGRAMS FOR COMMUNITIES IMPACTED BY CIVIL DISTURBANCE AND SPECIFICALLY THOSE COMMUNITIES' LOCAL SMALL BUSINESSES

In response to a request by both the Mayor's office and City Council, the following is an overview of possible EWDD resources available to support businesses impacted by recent and ongoing unrest, including:

- A list of possible services and resources that can be made available to support small businesses and microenterprises, as well as the employees of local businesses impacted by unrest.
- Funding sources that can be leveraged to support response services.

A note regarding funding source limitations: EWDD's grant portfolio includes both flexible and restricted funding sources. The following recommendations prioritize the most flexible options, though some may still require reprogramming approval. EWDD is actively developing strategies around specific funding sources to enable their use for the following services and programs.

A summary of initiatives that can be launched through the BusinessSource, WorkSource, and YouthSource (Source Network) systems currently being developed includes, but is not limited to, the following (pending requisite funding source and council approvals):

1. Launching a **DTLA Resilient Legacy Business Grant** to support the 130 businesses currently registered as legacy business establishments located within the impacted zone (per curfew map issued by the City) with quick cash grants of \$5,000.

2. **Leveraging the LA:RISE program and Youth Jobs Corps to support the graffiti removal** and other clean-up efforts led by the Office of Community Beautification.

In addition to these resources, EWDD is taking the following actions:

1. In collaboration with the Mayor's office and Council District 14, EWDD is organizing webinars to assist impacted businesses learn more about existing City resources. The first webinar will be held on **Friday, 6/13**. Two additional virtual information sessions are scheduled for Monday, June 16th, and Wednesday, June 18th. Additional virtual meetings will be added on an as-needed basis.
2. Deploying an electronic **Impacted Business Needs Survey** to be distributed in collaboration with the Mayor's Office, Council Districts, Source Center systems, BIDS, chambers of commerce, and the Emergency Management Department.
3. **Convening our Source Network partners** on Monday, June 16th, to hear directly from our service providers about the support and service needs of both our partners and clients for immediate assistance and long-term recovery.
4. As a follow-up to our Source Network convening, EWDD will partner with our providers to set up a series of **virtual roundtable discussions** with impacted businesses and community members to share their experiences and support needs.

Available EWDD Services and resources to support impacted businesses

Restoration and Remediation of Vandalized Areas

1. LA:RISE can serve as a resource to support clean-up and recovery efforts through our social enterprise partners. CRCD Enterprises is an example of a social enterprise that does graffiti removal through both LA:RISE and the Office of Community Beautification.
2. Clean LA is a program funded through the Youth Job Corps (previously CFA) that supports community clean-up activities, including graffiti removal.
3. Subject to Council approval, interest earnings on ARPA funds, not restricted by ARPA rules and considered as General Funds, can be reprogrammed to support response and recovery activities related to recent civil disturbances.

Support for Small Businesses and Workers

Table 1 is a preliminary list of potential funding sources and the actions needed to make these funds available for use to support small businesses, microenterprises, and employees impacted by unrest.

1. Standing up a DTLA Resilient Legacy Business Grant. Subject to Council approval, up to \$650,000 designated for Legacy Business Grants can be used to support the 130 businesses currently registered as legacy business establishments located within the impacted zone (per curfew map issued by the City). Eligible businesses

could be awarded up to \$5,000 in immediate assistance through the DTLA Resilient Legacy Business Grant.

2. The Layoff Aversion program through LAEDC can support employers in danger of laying off employees for any reason, including those businesses losing revenue as a result of closure, that could result in having to reduce their workforce.
3. BSCs and WSCs will coordinate on providing support for small businesses seeking to hire employees, especially those losing employees because of ICE enforcement actions.
4. LA:RISE partners can serve as a pipeline to meet employer needs by connecting LA:RISE graduates to full-time employment opportunities with Los Angeles employers.

TABLE 1: EWDD's Preliminary List of Potential Funding Sources to Support Small Businesses

Funding Source	Amount Currently Available	Potential Uses (Pending Requisite Approvals)	Action(s) Required
CDBG-CV Assistance to Microenterprises Program	\$3,225,700	<ul style="list-style-type: none"> • COVID recovery funds. • Activity must be tied to COVID with assistance to businesses that were impacted by the pandemic and further impacted by the civil disturbances. Businesses not in operation as of April 2020 would not meet this eligibility criteria. • Possible to add civil disturbance impact as an added priority point for the grant lottery process. • Funding would be targeted to microenterprises only: 5 employees or less, including the owner(s) to streamline the application process and not trigger underwriting requirements. 	<ol style="list-style-type: none"> 1. Update program policies and procedures to add the additional priority point for the lottery selection process. 2. Inform CIFI of the change. <p>NOTE: This should not trigger a Con Plan amendment.</p>
GF - Legacy Grant	\$650,000	<ul style="list-style-type: none"> • Potential to carve out \$650K of the funds available to assist 130 Legacy businesses, currently on the registry and located within the impacted zone (per curfew map issued by the City). • Grants would be for \$5K for immediate assistance to address impacts caused by the civil disturbances. • This would not be a lottery; eligibility would be limited to businesses on the Legacy Registry as of the time of the incident. • Would assess the need for additional resources for impacted Legacy businesses added to the registry subsequent to the civil disturbances and make other funding recommendations at that point. • Businesses receiving this emergency assistance would still be eligible to apply for and be part of the lottery for Rounds 2 and 3 of the regular Legacy Grant Program. The total remaining funds for the upcoming rounds would be \$1.85 million. 	Council approval needed to develop and implement the emergency component of the Legacy Grant Program, and appropriate funds for this purpose.

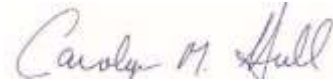
GF- ARPA Interest	\$1,113,474	<ul style="list-style-type: none"> Interest earnings on ARPA, not restricted by ARPA rules and considered GF. CAO wants to recapture these funds due to the City's budget constraints but due to the exigency of the current civil disturbances, these dollars are a viable funding source for an emergency program. Ability to use all or part of the funds available to award grants to impacted businesses. 	<ol style="list-style-type: none"> 1. Define program parameters. 2. Council approval to develop and implement an emergency program and appropriate funds for this purpose.
GF - Safe Pass LA (Fund 551)	\$181,645	<ul style="list-style-type: none"> These funds were transferred to EWDD from the UB to implement the Safe Pass LA Program during the pandemic. Most of the funds are still available according to the FMD's latest financial report. We can recommend reprogramming these funds, if needed, to implement an emergency program. 	<ol style="list-style-type: none"> 1. Define program parameters. 2. Council approval to change use of funds, develop and implement an emergency program, and appropriate funds for this purpose.

EWDD Actions and Activations to Date

1. Daily meetings with CD14, the Emergency Management Department, and Downtown LA stakeholders.
2. Daily Check-Ins: Adult and Youth staff have been checking in daily with all of the WSCs and YSCs to monitor any impacts on operations related to the raids and immigration protests.
3. Information Gathering from Community-Based Service Providers: Initial findings from check-ins with BusinessSource Centers (BSCs) have surfaced a general fear among clients of accessing government services. As an example, there has been a noticeable decline in the number of street vendor clients to BSCs in recent weeks.
4. Know Your Rights information sessions are being offered in collaboration with BetTzedek across BSCs as well as FamilySource Centers.
5. Deployment of electronic needs assessment survey in collaboration with the Mayor's Office, BIDS, chambers of commerce, council districts, EMD: As unrest continues, in considering the safety of Source Network staff, EWDD is preparing to deploy an electronic survey to BSC partners to distribute to past and current small business and microenterprise clients to gain insights from businesses on the ground to inform targeted interventions. Source Network staff will be asked to conduct in-person site visits of impacted sites once conditions are deemed safe.
6. Source Network Convening planned for Monday, June 16 at 2:00pm: EWDD is the process of scheduling a system-wide listening meeting to hear directly from our service providers across the WorkSource, YouthSource, and BusinessSource Center systems (Source Network). Insights learned from the session will inform next steps toward developing targeted support resources and interventions for jobseekers, youth, and small and micro businesses.

7. If a state of emergency is declared, BSCs, in coordination with the Los Angeles Economic Development Corporation (LAEDC) are prepared to provide technical assistance and on-site support to the Small Business Administration (SBA) in offering assistance to small businesses seeking EIDL funding.

EWDD continues to develop additional ideas in partnership with our Source network partners and welcomes the opportunity to discuss these and other potential strategies to support impacted small businesses and workers.

A handwritten signature in blue ink, reading "Carolyn M. Hull". The signature is written in a cursive, flowing style.

CAROLYN M. HULL
General Manager

CMH:CKP:GR:DH