

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: June 20, 2025

CAO File No. 0220-06332-0000

Council File No. 25-0645

Council District: Citywide

To: The Mayor  
The City Council

From:  Matthew W. Szabo, City Administrative Officer

Subject: **ELIGIBLE FUNDS FOR ASSISTANCE PROGRAMS FOR COMMUNITIES IMPACTED BY CIVIL DISTURBANCE**

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### RECOMMENDATIONS

That the Council:

1. Instruct the Community Investment for Families Department (CIFD) to report on the results of the engagement with philanthropic partners for a direct cash assistance program for families that have been separated and workers who have lost their jobs or have experienced a significant loss in income due to the recent immigration enforcement actions;
2. Instruct the Economic and Workforce Development Department (EWDD) to report back with recommendations on the implementation of the Downtown Los Angeles Resilient Legacy Business Grant for current legacy businesses impacted by civil disturbance; and,
3. Instruct the EWDD to work with the CIFD to make the necessary revisions to the policies and procedures for the Microenterprise Grant Project to include an additional priority point in the grant lottery process for businesses further impacted by civil disturbance.

### SUMMARY

On June 10, 2025, the Council adopted a motion (C.F. 25-0645, Jurado, Price – Harris-Dawson, McOsker) instructing this Office, the Economic and Workforce Development Department (EWDD) and the Community Investment for Families to Department (CIFD) to report on outside funding eligible for assistance programs for communities impacted by civil disturbance, and specifically those communities' local small businesses. The Council also instructed this Office to provide guidance on the various mechanisms by which funding can be distributed, including but not limited to grants, reimbursements, and direct cash assistance, and the use of the Source Center system.

The CIFD and EWDD have the following existing programs and resources to support impacted small businesses and workers:

## **CIFD**

- FamilySource System
  - Emergency assistance is available through the Solid Ground Homeless Prevention Program at the 19 FamilySource Centers (FSC). Each FSC receives an annual allocation of \$200,000, which can be used for rental assistance/arrears, utility payments/arrears, security deposits, and relocation services. These funds can also be used for other emergency needs, such as grocery gift cards. The CIFD reports that a balance of approximately \$400,000-\$500,000 in emergency assistance funds is available for the remainder of 2024-25. In 2025-26, each FSC will receive a new allocation of \$190,146.
  - Know Your Rights and immigration workshops, along with assistance to obtain the right to work.
  - Employment support services including job readiness workshops and if eligible, referrals to the City's WorkSource or YouthSource Centers.
  - Multi-benefits screening to ensure all clients access all eligible services.
  - Emergency food program.

## **EWDD**

- Layoff Aversion Program through the Los Angeles County Economic Development Corporation (LAEDC) provides support to employers in danger of laying off employees for any reason, including loss in revenue as a result of closures, and assists in finding alternatives.
- BusinessSource Centers and WorkSource Centers provide support for small businesses seeking to hire employees, and can provide tailored focus for those losing employees due to immigration enforcement actions.
- 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.

## **Proposed Programs**

### ***Income Assistance Program***

The CIFD proposes a direct cash assistance program to support those impacted by recent immigration enforcement actions, including families that have been separated and workers in crucial industries who have lost their jobs or have experienced a significant reduction in income. The Angeleno Immediate Response Card can be used for cash disbursements, which functions similar to a debit card allowing participants to use for tap, swipe, or online purchases or to withdraw cash from a network of fee-free ATMs. The CIFD is currently engaging with philanthropic partners to seek private funding for this direct cash assistance program as the General Fund is the only eligible fund to support this effort.

### *Downtown Los Angeles (DTLA) Resilient Legacy Business Grant*

The EWDD proposes to use up to \$650,000 in available funding designated for Legacy Business Grants 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. This program would leverage the existing Legacy Business program already operated by the EWDD.

### *Emergency Microgrants for Microenterprises*

The Community Development Block Grant (CDBG) funds can be used to provide small grants to microenterprises, which is defined as a commercial enterprise with five or fewer employees, including the owner(s). The grants can be used to supplement lost income or to assist in meeting payroll. BusinessSource Centers can assist with the intake/eligibility review process and provide technical assistance. The CIFD has identified the Rose Hills Park Improvements project (Line Item 54) within Council District 14 included in the Chief Legislative Analyst's report on the Program Year 51 Consolidated Plan, pending Council approval (C.F. 25-0525), with an allocation of \$300,000 in CDBG funds that will be reallocated for this purpose.

### *Microenterprise Grant Project*

The EWDD has \$3,225,700 available in CDBG Coronavirus Aid, Relief, and Economic Security (CARES) Act (CDBG-CV) funds for microenterprise grants to assist with prolonged impacts from the COVID-19 pandemic. The EWDD proposes to revise the program policies and procedures to include an additional priority point in the grant lottery process for businesses further impacted by the civil disturbances. Businesses not in operation as of April 2020 would not meet the eligibility criteria.

## **FISCAL IMPACT STATEMENT**

There is \$650,000 in available funds within the Economic Development Trust Fund for the proposed DTLA Resilient Legacy Business Grant. The Community Development Block Grant (CDBG) is an eligible funding source for the proposed Emergency Microgrants for Microenterprises, and there is an existing \$3.2 million allocation in CDBG Coronavirus Aid, Relief, and Economic Security (CARES) Act funds for the Microenterprise Grant Project that can provide support to businesses impacted by the civil disturbances. There is no additional General Fund impact.

## **FINANCIAL POLICIES STATEMENT**

The recommendations in this report comply with the City's Financial Policies in that grant funds will be used for grant-eligible activities.