



Honorable Karen Bass, Mayor of Los Angeles
Community Investment Department

April 21, 2026

Honorable Katy Yaroslavsky, Chair
Budget and Finance Committee
200 North Spring Street, Room 395,
City Hall Los Angeles, CA 90012

Re: Budget Letter, Community Investment Department Fiscal Year 2026-27

Dear Chair Yaroslavsky:

This letter is submitted in accordance with the City Council's decision to support the Mayor's vision for a unified **Community Investment Department (CID)**, which consolidates the Economic and Workforce Development Department (EWDD), Youth Development Department (YDD), Department of Aging (DoA), and Community Investment for Families Department (CIFD). The process of unifying these four departments is guided by two objectives:

1. To sustain and elevate the vital, specialized work of each of these four departments, and
2. To strategically align programs and services along a coordinated continuum of resources that deliver integrated support to advance economic development, inclusion, opportunity, and mobility.

We are grateful to the Mayor and the City Council for demonstrating support for the new unified department, which recognizes the interconnectedness of critical social services and economic development functions. As we move forward, we remain committed to thoroughly integrating these efforts while preserving dedicated focus and attention to each, ensuring we serve residents effectively and expand meaningful business engagement.

I. Overview of the Proposed 2026-27 CID Budget

The proposed FY 2026-27 budget for CID totals **\$81,578,805** and reflects the establishment of a new, integrated department. This budget represents the consolidation of programs, positions, and resources from EWDD, YDD, DoA, and CIFD to create a more coordinated approach to delivering services to residents and businesses and fostering thriving communities.

The proposed budget supports **200 regular position authorities and 96 resolution authorities**. The General Fund represents 64.5% of the total budget (\$52,638,624), with Special Fund revenues of \$28,940,181 (35.5%) drawn from federal, state, and local sources, including the Community Development Block Grant, Workforce Innovation and Opportunity Act, and Older Americans Act

funds. As a newly formed department, the FY 2026–27 Proposed Budget serves as CID’s base budget, establishing the foundation for an expanded and integrated service portfolio.

We are grateful for the approval to add one additional Assistant General Manager for Workforce and Community Development. This executive-level position will oversee the continuity of core workforce development programs and community development priorities funded by the Annual Plan and Consolidated Plan, including support for the Mayor’s Office of Major Events in preparing for the upcoming Olympic and Paralympic Games. Additionally, the Assistant General Manager of Economic Development provides the dedicated leadership needed to strengthen and augment the city’s economic development efforts, including business attraction and retention, small business support, industry sector growth, strategic investment planning, and coordination of public-private partnerships. As the City navigates disaster recovery, economic uncertainty, and preparations for major events, strategic investment in CID’s economic development capacity is urgently needed. The consolidation of economic development under CID, combined with the ongoing Comprehensive Economic Development Strategy (CEDS) process, presents a timely opportunity to modernize the City’s approach and advance citywide economic growth, opportunity, and mobility.

In total, 19 positions have been eliminated through the consolidation process, yielding total savings of \$5,650,739, of which \$3,091,625 represents direct General Fund savings and \$2,559,114 represents Special Fund savings. In this first year, the Department will assess its consolidated staffing infrastructure and work with the CAO to realign existing positions as needed to support effective service delivery. As the portfolio continues to grow, CID will evaluate any remaining staffing gaps and may seek additional positions in future budget cycles if those needs cannot be met through current resources, ensuring the Department can sustain a coordinated and high-impact service delivery model.

The proposed budget is organized across six program areas, all of which have been **level-funded** for the 2026-27 fiscal year:

Program Area	Funding Amount
Family and Support Services	\$36,817,915
General Administration and Support	\$15,236,598
Senior Services	\$9,303,134
Adult Workforce Development	\$7,982,260
Youth Development	\$4,564,635
Economic Development	\$4,248,559
Consolidated Planning	\$3,425,704

II. Continued Programs & Requests

The proposed budget reflects a shared commitment to program continuity, operational efficiency, and fiscal accountability, while investing in the City’s capacity to deliver effective social services and lead economic development. As a newly established department, CID will use this foundational year to strengthen coordination and maximize impact across its expanded portfolio. We will advance a more integrated approach through intentional program design efforts that emphasize accessibility, equity, and outcomes. CID will prioritize the development of shared performance metrics, intake processes, and data-driven evaluation tools to better measure outcomes across programs and guide continuous process improvement. In parallel, we will invest in cross-training staff to enhance knowledge and expertise across all programs. Together, these efforts will position CID to more effectively leverage its resources, strengthen business engagement, and support inclusive economic growth across the City.

III. New and Expanded Budget Requests to Support Major Structural Change

The consolidation of four departments into CID brings together a diverse \$81.6 million portfolio across multiple federal, state, and local funding streams. We appreciate the staffing resources already committed to support the work, and respectfully request the Committee's consideration of the additional position outlined below to strengthen fiscal oversight and ensure federal compliance.

1. Add one (1) Internal Auditor IV (2150-H) - Funding Amount: \$121,415. We respectfully request that the Committee consider this urgent request for one new Internal Auditor IV (2150-H) to oversee CID's consolidated Audits Section, consisting of 14 staff members managing financial compliance audits across multiple federal and state grant programs. This request, which consists of \$121,415 for nine months of salary funding, was denied and is respectfully elevated. Under the consolidation, the Audits Section has grown significantly in scope, and is responsible for approximately 200 audits and over 500 contracts, which require experienced senior oversight to protect CID's vast grant portfolio, including WIOA, CDBG, Older Americans Act, and other funding sources, and to fulfill the City's legal obligations as a grant administrator. Given the necessity of this role, CID is prepared to leverage a combination of special funds to minimize the impact of this new position on the budget.

IV. Conclusion

The Community Investment Department is grateful for the Mayor's and City Council's confidence in this consolidation effort, and for the significant investment reflected in the proposed FY 2026-27 budget. We respectfully ask for the Committee's support of the new and expanded requests outlined in this letter and welcome the opportunity to discuss any aspect of this budget in greater detail.

Respectfully submitted,

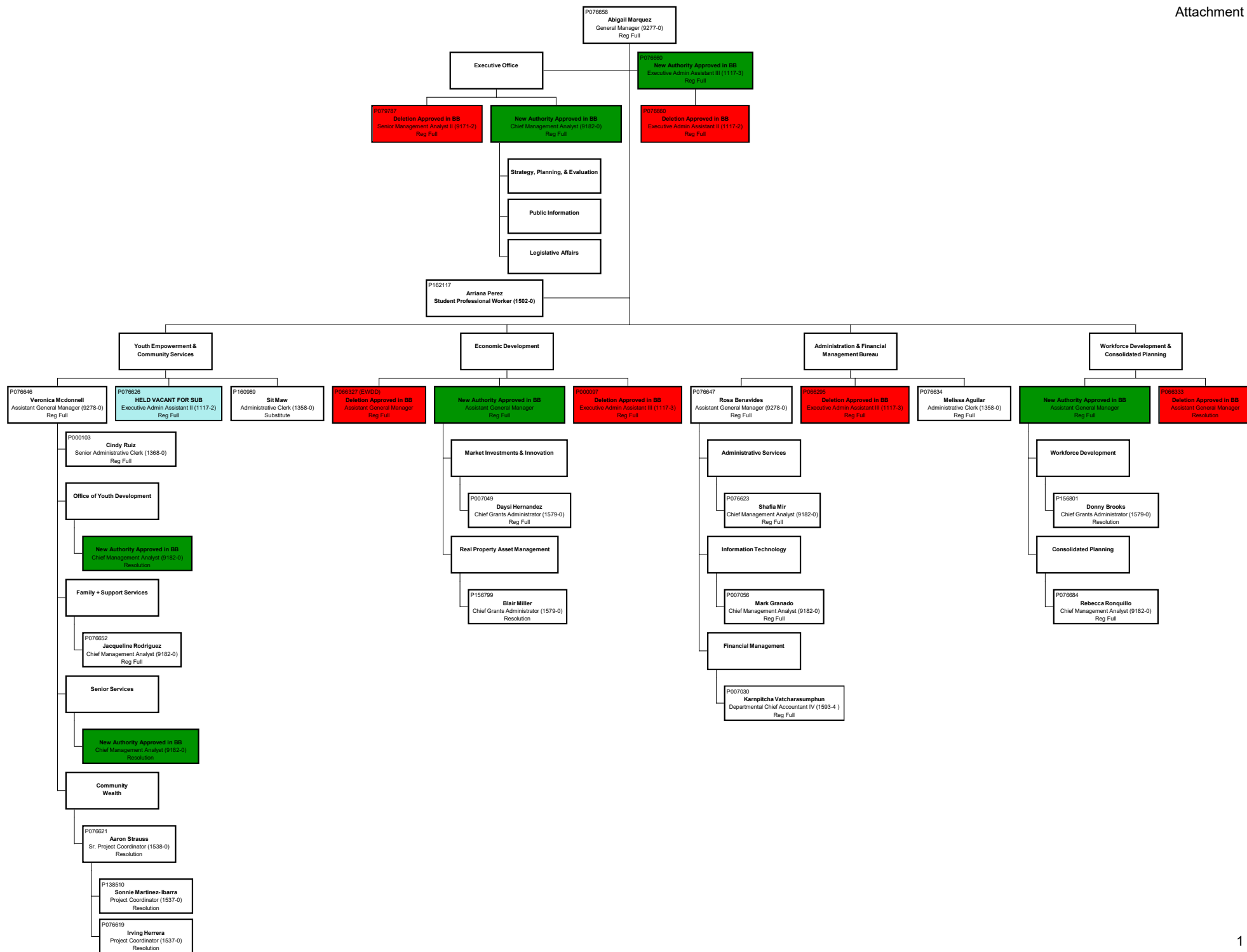


Abigail R. Marquez
General Manager

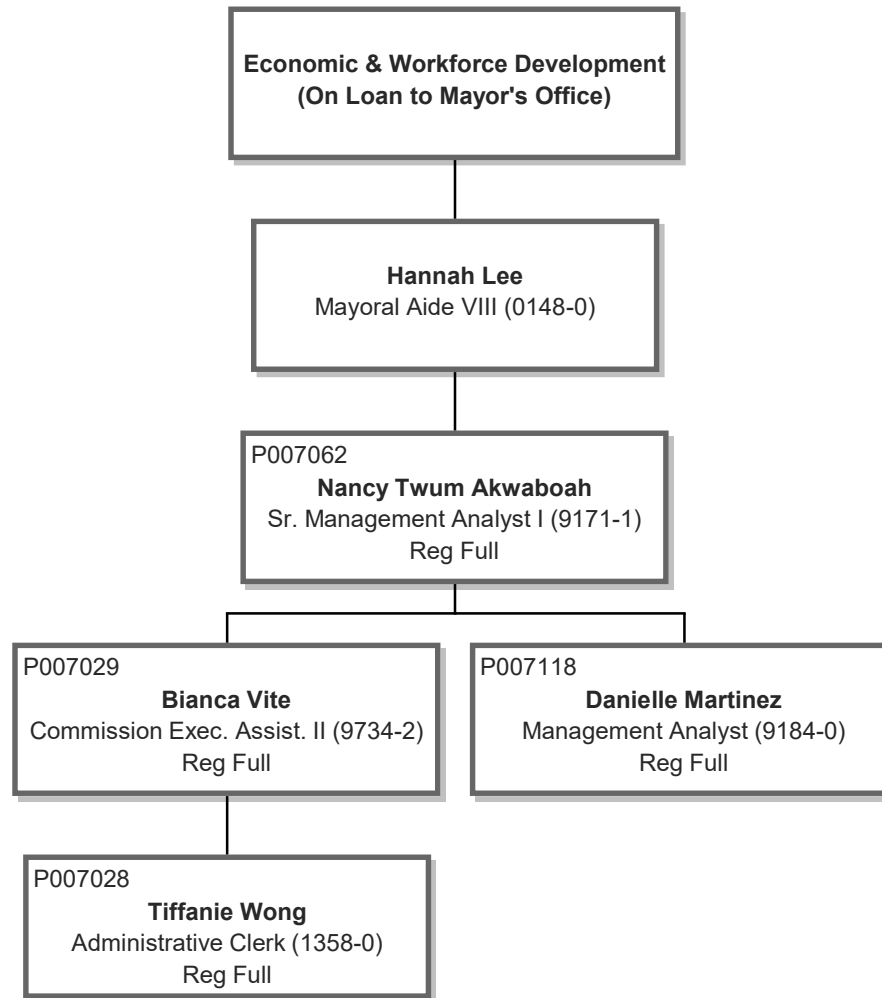
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cc: Honorable Members of the City Council
Mitch Kamin, Chief of Staff, Mayor's Office
Jenny Delwood, Deputy Chief of Staff, Mayor's Office
Anna Hovasapian, Deputy Chief of Staff, Mayor's Office
Matt Hale, Deputy Mayor of Budget and Innovation, Mayor's Office
Rachel Freeman, Deputy Mayor of Business and Economic Development
Brenda Shockley, Deputy Mayor of Economic Opportunity, Mayor's Office
Sharon Tso, Chief Legislative Analyst
Matt Szabo, City Administrative Officer

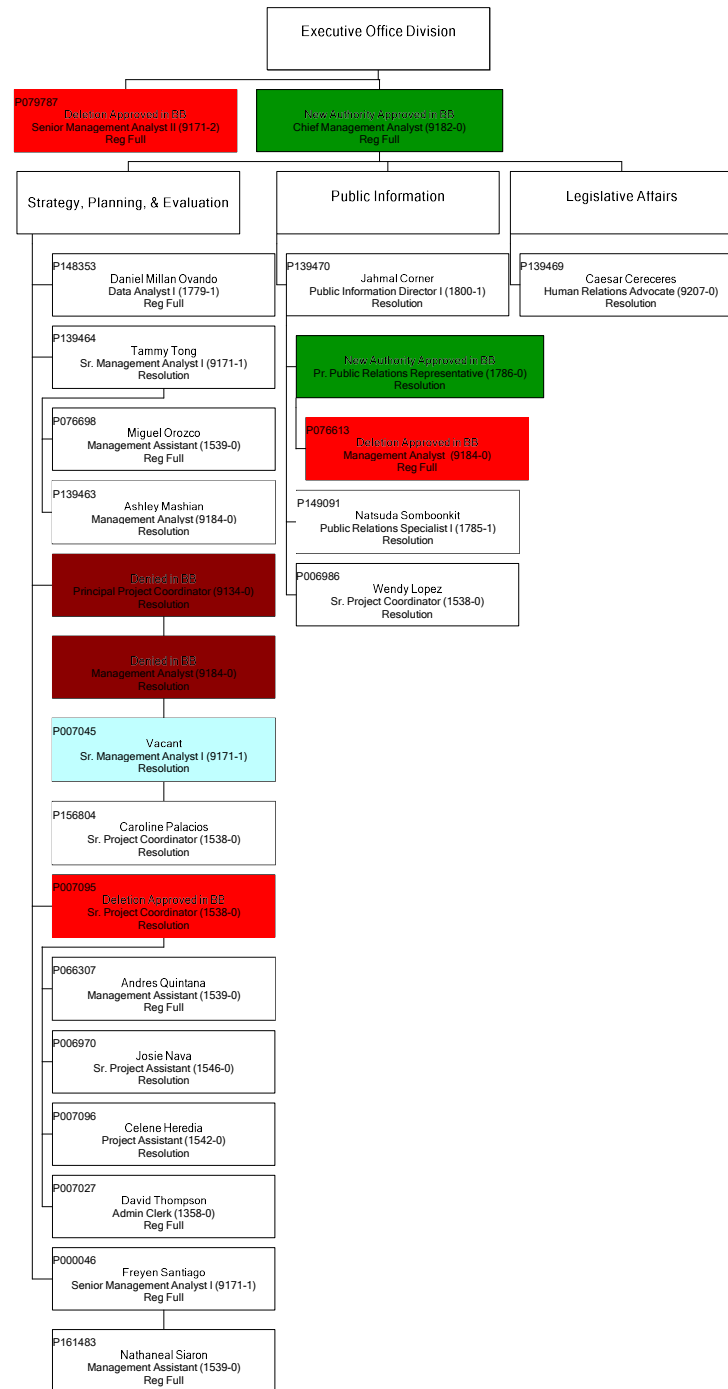
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COMMUNITY INVESTMENT DEPARTMENT
FY 2026-2027 ORGANIZATIONAL CHART



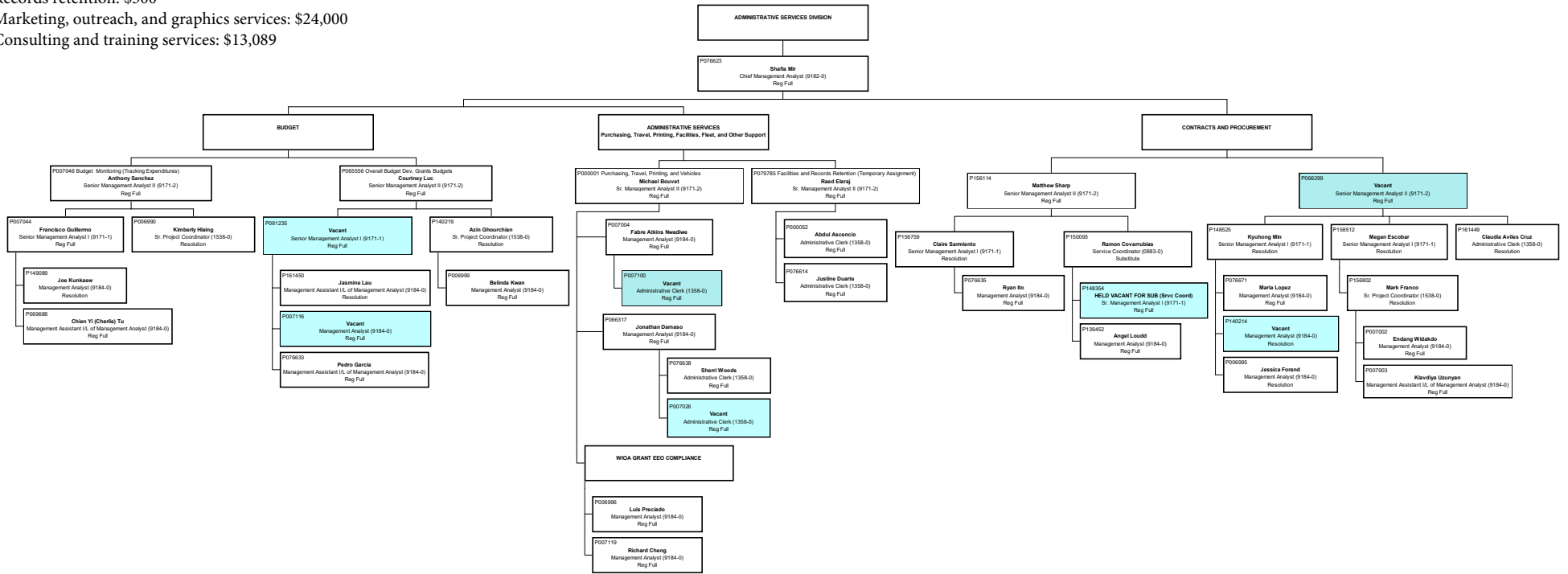
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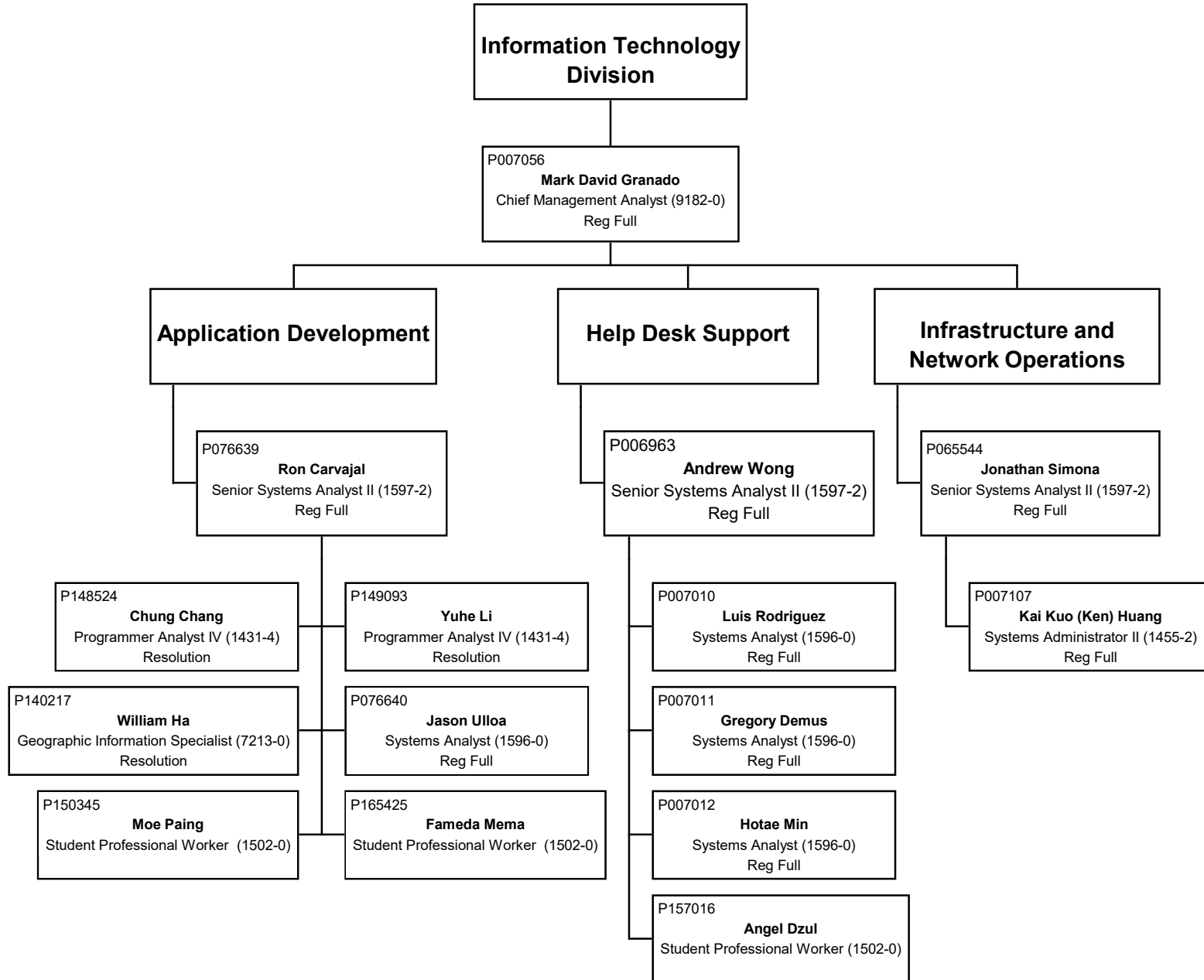
Administrative Services Division manages the following FY26-27 Contractual Services Schedule line items and their respective programs:

- Photocopier rental and maintenance: \$800
- Records retention: \$500
- Marketing, outreach, and graphics services: \$24,000
- Consulting and training services: \$13,089

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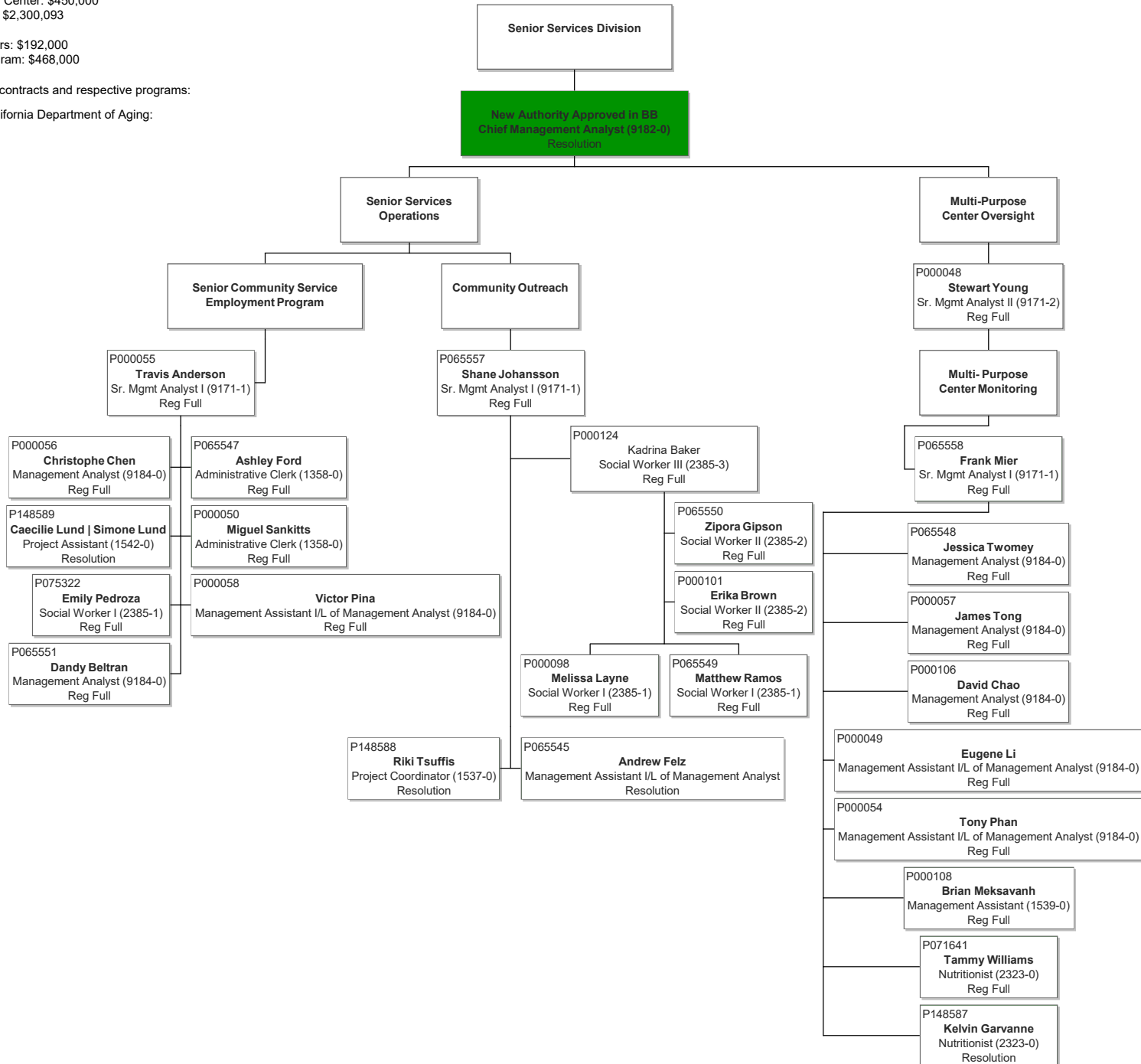
Senior Services Division manages the following FY26-27 CID Contractual Services Schedule line items and their respective programs:

- Photocopier rental: \$14,248
- Single audit: \$10,136
- Evidence based programs in senior centers: \$732,998
- Echo Park Mini Multipurpose Senior Center: \$450,000
- Estelle Van Meter Mini Multipurpose Senior Center: \$450,000
- LGBTQ Mini Multipurpose Senior Center: \$450,000
- Home-Delivered Meals Program: \$2,300,093
- Congregate meals: \$813,615
- Other various programs for seniors: \$192,000
- Older Workers Employment Program: \$468,000

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Senior Services Division off-budget contracts and respective programs:

- Annual contractual fund from California Department of Aging: \$27M



Family + Support Services Division manages the following FY26-27 CID Contractual Services Schedule line items and their respective programs:

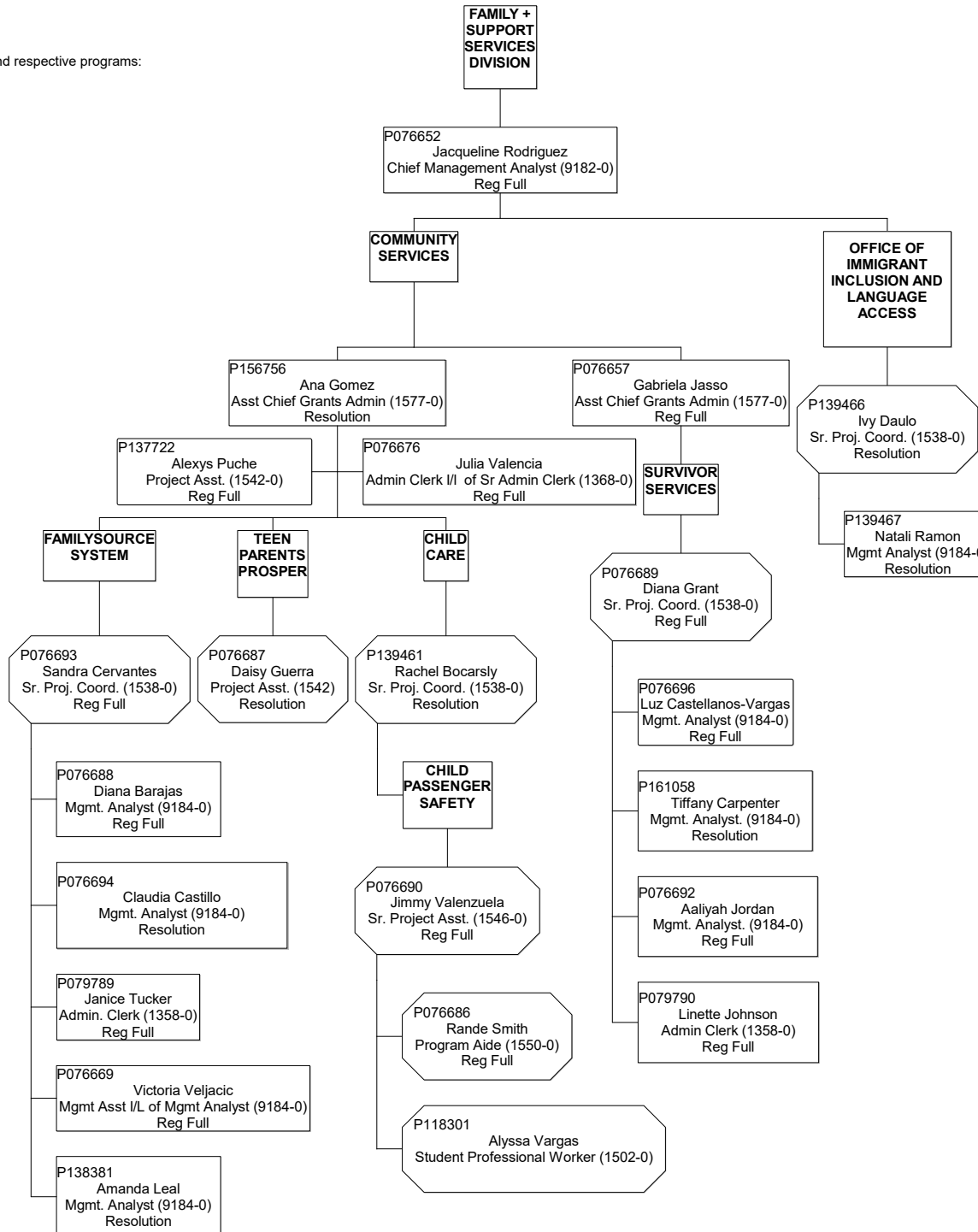
- Non-profit FamilySource Center operations \$20,725,603
- Survivor Services System: \$11,760,448
- RepresentLA: \$1,000,000

Family + Support Services Division off-budget contracts and respective programs:

- Various small grants: \$10M

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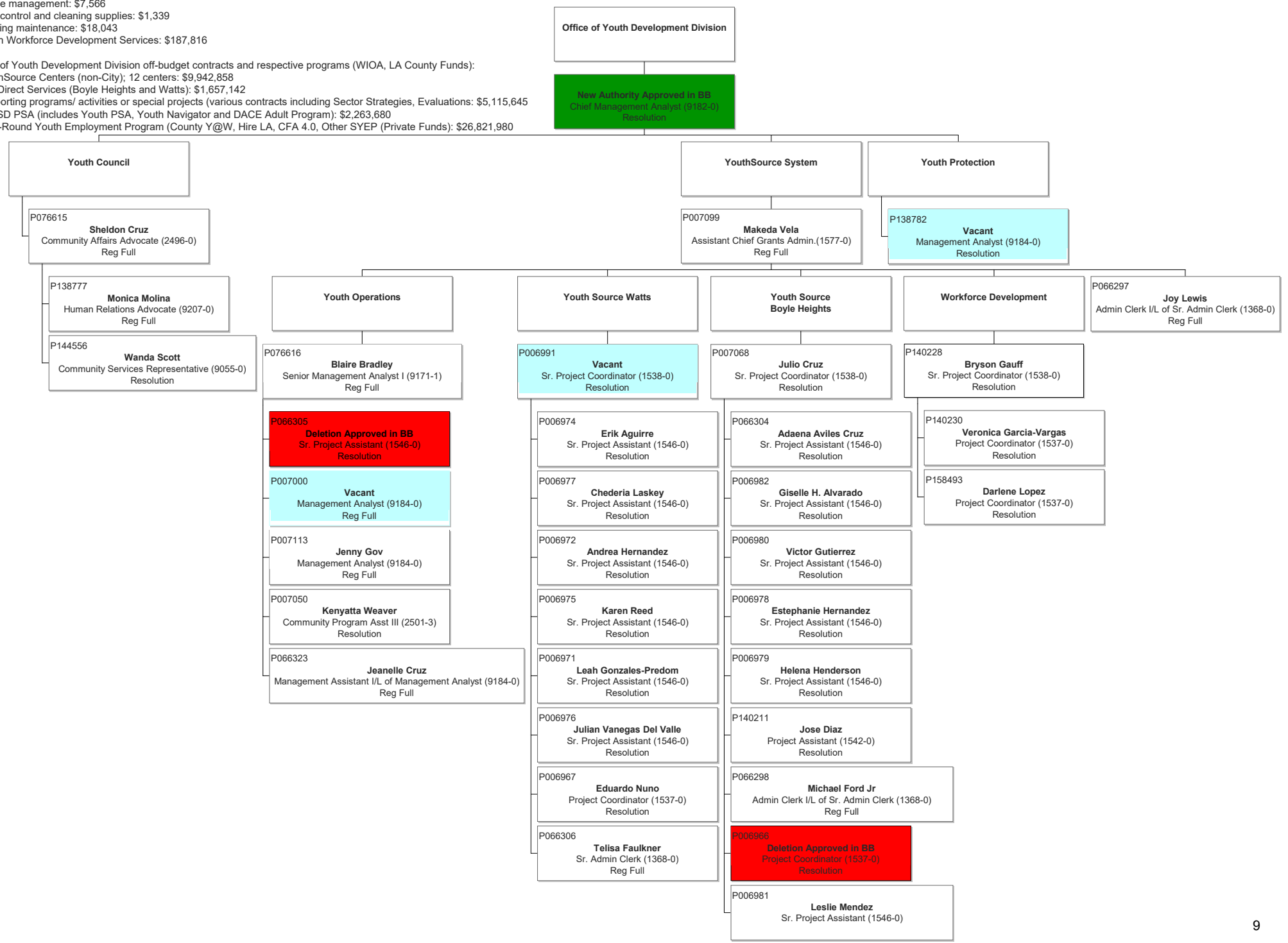
Office of Youth Development Division manages the following Contractual Services Schedule line items and their respective programs:

- Photocopier rental and maintenance: \$8,650
- Security Services: \$58,204
- Outdoor property management: \$12,921
- Waste management: \$7,566
- Pest control and cleaning supplies: \$1,339
- Building maintenance: \$18,043
- Youth Workforce Development Services: \$187,816

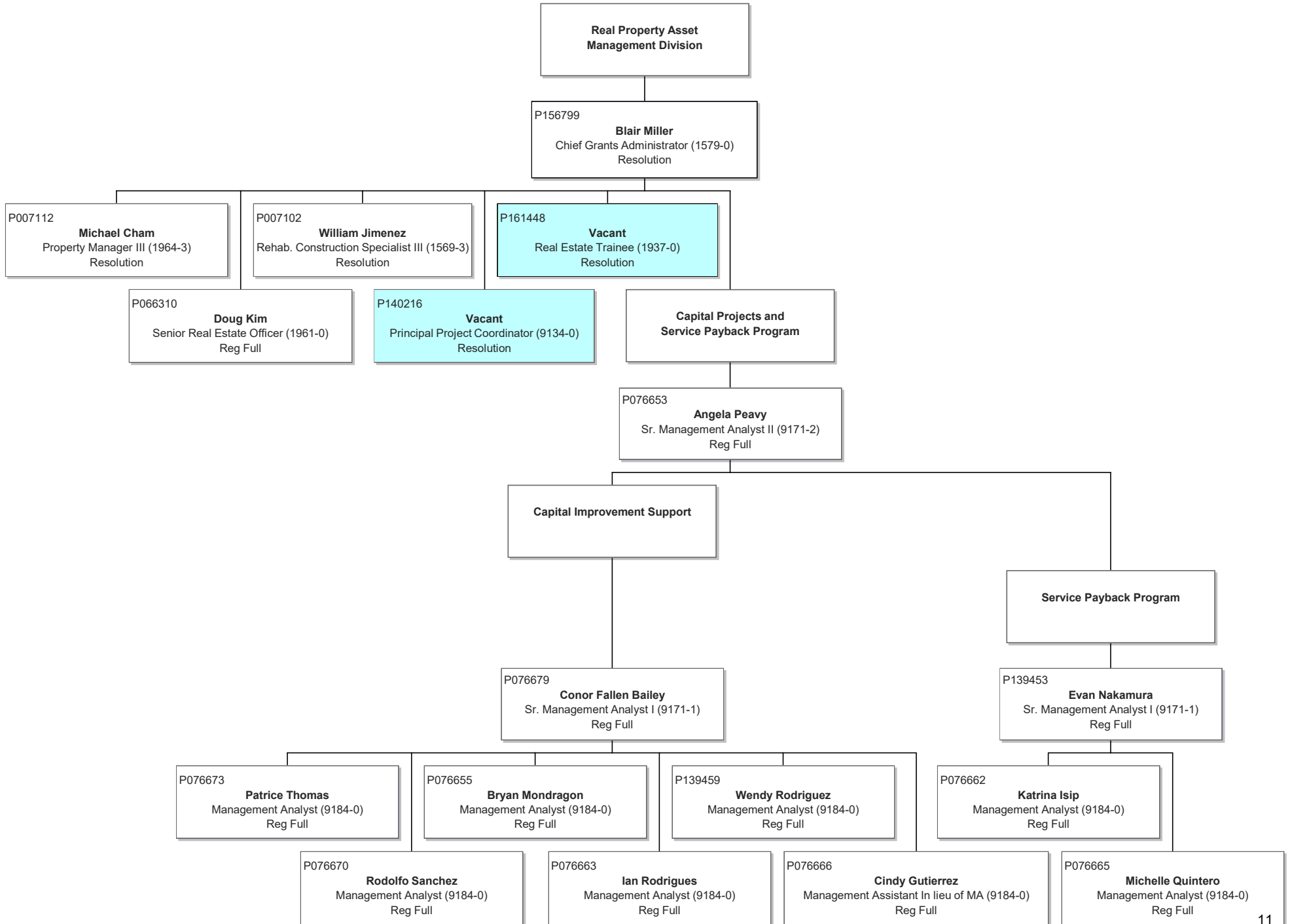
COMMUNITY INVESTMENT DEPARTMENT FY 2026-2027 ORGANIZATIONAL CHART

Office of Youth Development Division off-budget contracts and respective programs (WIOA, LA County Funds):

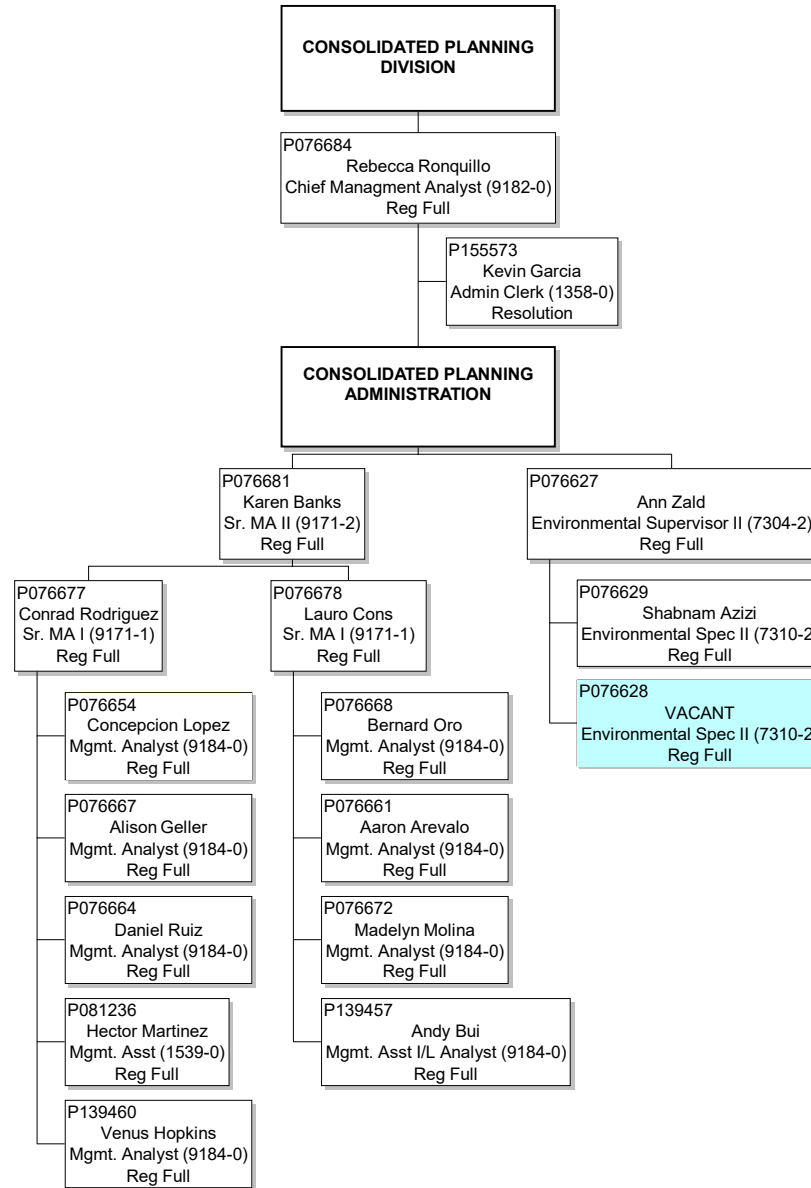
- YouthSource Centers (non-City); 12 centers: \$9,942,858
- City Direct Services (Boyle Heights and Watts): \$1,657,142
- Supporting programs/ activities or special projects (various contracts including Sector Strategies, Evaluations): \$5,115,645
- LAUSD PSA (includes Youth PSA, Youth Navigator and DACE Adult Program): \$2,263,680
- Year-Round Youth Employment Program (County Y@W, Hire LA, CFA 4.0, Other SYEP (Private Funds): \$26,821,980



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Adult Workforce Development Division manages the following General Fund Contractual

Services Schedule line items and their respective programs:

- Los Angeles Regional Initiative for Social Enterprise: \$2,549,785
- Security services: \$15,811
- Day Laborer (3 contracts): \$1,089,000

Adult Workforce Development off-budget contracts and respective programs:

- WorkSource Centers (14 Centers): \$21,609,999 (WIOA)
- LA County (Invest-WIOA Adult and DW, 25% Fire AA): \$3,459,928
- LA Rise: \$2,783,011 (General Fund)
- Special Grants (2025 Wildfire NDWG, Fire AAG grant: \$319,438

• Gang Injunction Curfew Settlement: \$1,125,000 (General Fund)

Adult Workforce Development manages the following from the UB:

Workforce and Economic Development Initiatives, \$500,000

