

MOTION BY SUPERVISOR JANICE HAHN

May 12, 2020

4th Supervisorial District Small Business Grant Initiative

Small businesses are the foundation of our communities and economy, employing nearly half of the County workforce. Due to COVID-19 Safer at Home orders, small businesses face a multitude of challenges and any type of financial assistance counts. A recent Los Angeles Economic Development Corporation (LAEDC) study estimates a potential unemployment rate of 31.7 percent caused by the closure of businesses.

The County of Los Angeles (County) issued three grant/loan opportunities and there was overwhelming interest in these programs. The County needs to continue these efforts to save our small businesses. The Los Angeles County Development Authority (LACDA) is able to reallocate \$500,000 from 4th District projects pursuant to a Funding Agreement with the County for a Small Business Grant Initiative project to provide grants for microenterprises in the 4th Supervisorial District with five (5) or less employees who demonstrate a hardship cause by the COVID-19 Safer at Home orders. Businesses that are eligible under the Initiative may apply for a grant not to exceed \$5000 to assist the business during the COVID-19 Safer at Home Order. The LACDA will provide an application process for the Initiative for eligible businesses to apply.

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

HAHN _____

BARGER _____

I, THEREFORE MOVE that the Board of Supervisors authorize the Chief Executive Officer, or her designee, to reallocate up to \$500,000 from an existing Funding Agreements between the County and the LACDA available from 4th District projects to fund the Initiative in the 4th District and to execute any necessary amendments to reallocate the funds to the LACDA for the Initiative.

I, FURTHER MOVE that the Board of Supervisors, acting as the Board of Commissioners for the Los Angeles County Development Authority:

1. Authorize the Acting Executive Director, or his designee, to utilize up to \$500,000 from existing Funding Agreements between the County and the LACDA available from 4th District projects to fund the Initiative to target microenterprise businesses in the 4th Supervisorial District with five (5) or less employees who demonstrate a hardship caused by COVID-19 and to execute any necessary amendments to the Funding Agreement with the County to reallocate the funds for the Initiative;
2. Authorize the Acting Executive Director, or his designee, to develop an application process, grant agreements and to execute and, if necessary, amend grant agreements, and all related documents, between LACDA and the microenterprises who apply for a grant under the Initiative; and
3. Authorize the Acting Executive Director, or his designee, to incorporate these funds into the LACDA's approved fiscal year 2019-2020 approved budget and future fiscal year budgets, as needed.

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JH:lo