COVID-19 American Rescue Plan Act's Small Business Relief Programs

On March 4, 2020, the Board of Supervisors (Board) implemented the Los Angeles County (County) Eviction Moratorium (Eviction Moratorium) that implements a Countywide ban on evictions for residential and commercial tenants. The Eviction Moratorium is set to expire on January 31, 2022. For a variety of reasons, many businesses of smaller scale have been unable to access financial resources during the pandemic causing them to incur rental debt. Without assistance to address their rental debt, these small businesses are now facing eviction and closure.

On June 22, 2021, this Board approved the <u>Establishing a Pathway to Economic Resiliency for Small and Micro Employers</u> motion which called for a number of actions to assist small businesses including the creation of a COVID-19 Small Business Rent Relief Program to assist Qualifying Small Business Tenants as defined in the motion with rent debt owed.

Furthermore, on July 27, 2021 the Board approved the American Rescue Plan Fiscal Recovery Funds Spending Plan which included allocations for the COVID-19 Small Business Rent Relief Program and the Keep LA County Dining Program. The Board also approved an allocation to the Department of Consumer and Business Affairs to provide legal assistance to small businesses. Given the upcoming expiration of the Eviction Moratorium, and the need to coordinate regionally with other jurisdictions and the looming impact to small businesses, it is imperative that the County seek relief for small businesses expeditiously.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- Approve the attached appropriation adjustment that reflects an increase of \$7,500,000 in appropriations in the Workforce Development, Aging and Community Services (WDACS) Final Adopted budget offset by a corresponding increase of \$7,500,000 in Federal revenue from the American Rescue Plan Act (ARPA) to fund a COVID-19 Small Business Rent Relief Program.
- Approve the attached appropriation adjustment that reflects an increase of \$10,000,000 in appropriations in the WDACS' Final Adopted budget offset by a corresponding increase of \$10,000,000 in Federal revenue from the ARPA to fund a COVID-19 Keep LA County Dining Program.
- 3. Authorize and delegate authority, to the Acting Director of WDACS, or his designee(s), in consultation with County Counsel, to enter into, execute, amend, and if necessary, terminate, subrecipient agreements, including sole source agreements, or any related agreements, for the following:
 - a. Up to \$7,500,000 for the COVID-19 Small Business Rent Relief Program to provide rental assistance to qualified small businesses that have rental debt: and
 - b. Up to \$10,000,000 for the COVID-19 Keep LA County Dining Program to provide grants to qualified small businesses that have been impacted and have suffered economic hardship due to COVID-19.
- 4. Delegate authority to the Acting Director of WDACS, or his designee, to execute an agreement, and necessary amendments, with the Los Angeles County Development Authority (LACDA) to provide the County assistance with the COVID-19 Small Business Rent Relief Program and the Keep LA County Dining Program; such documents shall establish the parameters by which the selected subrecipient will utilize funding in accordance with ARPA as well as provide administration costs to LACDA for such needed assistance.
- 5. Approve the attached appropriation adjustment that reflects an increase of \$1,500,000 in appropriation in the Department of Consumer and Business

- Affairs (DCBA) Final Adopted budget offset by a corresponding increase of \$1,500,000 in Federal revenue from ARPA to fund a COVID-19 Small Business Legal Aid Program.
- 6. Authorize and delegate authority, to the Director of the DCBA, or his designee, to enter into, execute, amend, and if necessary, terminate, subrecipient agreements, including sole source agreements, or any related agreements, up to \$1,500,000 for the Small Business Legal Aid program.

WE FURTHER MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

- 1. Delegate authority to the Executive Director of the Los Angeles County Development Authority (LACDA), or his designee, in consultation with County Counsel, to execute an agreement, and necessary amendments, with the County to provide the County with assistance with the COVID-19 Small Business Rent Relief Program and the Keep LA County Dining Program and such documents in accordance with the American Rescue Plan Act as well as receive administration costs from the County.
- 2. Authorize the Executive Director of LACDA, or his designee, to incorporate approved funding sources into the LACDA approved FY 2021-22 budget as needed in consultation with the County, to support the County's continued efforts to assist and address the health, safety, and welfare of County residents during the COVID-19 pandemic and the programs described above.

B.A. NO.

045

OFFICIAL COPY

October 15, 2021

DATE 10/15/2021

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

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THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE FY 2021-22 4 - VOTES USES **SOURCES** WDACS - WORKFORCE INNOVATION AND OPPORTUNITY ACT WDACS - WORKFORCE INNOVATION AND OPPORTUNITY ACT A01-CS-90-90WK-26555-26670 A01-CS-5500-26555-26670 AMERICAN RESCUE PLAN OTHER CHARGES 7,500,000 7,500,000 **INCREASE APPROPRIATION INCREASE REVENUE** WDACS - WORKFORCE INNOVATION AND OPPORTUNITY ACT WDACS - WORKFORCE INNOVATION AND OPPORTUNITY ACT A01-CS-5500-26555-26670 A01-CS-90-90WK-26555-26670 OTHER CHARGES AMERICAN RESCUE PLAN 10,000,000 10,000,000 **INCREASE REVENUE INCREASE APPROPRIATION** CONSUMER AND BUSINESS AFFAIRS **CONSUMER AND BUSINESS AFFAIRS** A01-CA-90-90WK-19100 A01-CA-2000-19100 AMERICAN RESCUE PLAN **SERVICES & SUPPLIES** 1,500,000 **INCREASE REVENUE** 1,500,000 **INCREASE APPROPRIATION** 19,000,000 **USES TOTAL** 19,000,000 **SOURCES TOTAL** JUSTIFICATION This adjustment reflects an increase of \$19,000,000 in federal revenue from the Amercian Rescue Plan Act (ARPA) to fund a COVID-19 Small Business Rent Relief Program (\$7,500,000), a COVID-19 Keep LA County Dining Program (\$10,000,000) and a COVID-19 Small Business Legal Aid Program (\$1,500,000). **BOARD OF SUPERVISORS** Anthony Baker Digitally signed by Anthony Baker Date: 2021.10.15 14:47:58-07'00' COUNTY OF LOS ANGELES 43-D OCT 19 2021 **AUTHORIZED SIGNATURE** ANTHONY BAKER, MANAGER, CEO BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED) CELIA ZAVALA **EXECUTIVE OFFICER** REFERRED TO THE CHIEF **ACTION** 0 APPROVED AS REQUESTED **EXECUTIVE OFFICER FOR---**RECOMMENDATION APPROVED AS REVISED Mason Matthews **AUDITOR-CONTROLLER** CHIEF EXECUTIVE OFFICER Lan Sam Date: 2021.10.15-14:50:33 -07'00'

10/15/2021

DATE