

**ECONOMIC DEVELOPMENT POLICY COMMITTEE**  
**Thursday, April 9, 2020**  
**9:00 a.m. – 10:00 a.m.**

**Virtual/SKYPE Meeting**

**Call-in number: 1-323-776-6996 Access Code: 758886739#**

**AGENDA**

1. Introductions
2. Legislative update 5 minutes  
(Angela Ovalle, CEO)
3. Sole Source Contract for the Employer Assistance Grant Fund 10 minutes  
(Jose Perez & Paul Goldman, WDACS)
4. Business loans/funding sources updates 10 minutes  
(LACDA, DCBA, WDACS)
5. Grant application updates 10 minutes  
(WDACS, CEO)
6. COVID-19 Portal and Website update 10 minutes  
(DCBA, CEO)
7. Mandated supplemental paid sick leave 10 minutes  
(CEO, DCBA)
8. Public comment 5 minutes

**NOTE:**

Please send comments to [EconomicDevelopment@ceo.lacounty.gov](mailto:EconomicDevelopment@ceo.lacounty.gov) by Wednesday April 8 at noon. They will be shared with the Committee prior to the meeting.



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Hilda L. Solis  
Mark Ridley-Thomas  
Sheila Kuehl  
Janice Hahn  
Kathryn Barger

# COUNTY OF LOS ANGELES WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

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Otto Solórzano  
Acting Director

*"Connecting communities and improving the lives of all generations"*

April 14, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

## **RECOMMENDATION TO INCREASE FUNDING FOR THE LOS ANGELES COUNTY EMPLOYER ASSISTANCE GRANT FUND (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

### **SUBJECT**

The County of Los Angeles Workforce Development, Aging and Community Services ("WDACS") seeks approval and delegated authority to increase an existing sole source contract with The Roberts Enterprise Development Fund ("REDF") and execute amendments for these funds. REDF was contracted to administer an innovative workforce program called the Los Angeles County Employer Assistance Grant Fund ("Grant Fund"), an initiative created to support our local businesses suffering economic hardship as a result of the Novel Coronavirus ("COVID-19") health crisis.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize WDACS' Acting Director, or designee to execute an amendment to increase the Maximum Contract sum by \$265,000 to a total of \$515,000.
2. Approve and authorize WDACS' Acting Director, or designee to execute amendments with the subrecipient as follows: 1) add new, relevant or updated federal, state and/or county subaward terms and 2) to increase the Maximum Contract Sum in excess of 10% based on the availability of funding, and or based on subrecipient's performance provided that: a) the total allocation does not exceed available funding and b) WDACS obtains County Counsel approval as to form of the amendment prior to any such amendments.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On March 16, 2020, your Board declared a local health emergency due to COVID-19, which ordered the closure of non-essential businesses in industries such as the hospitality, entertainment, and service sectors. With the number of COVID-19 cases increasing each day, non-essential businesses are beginning to feel the financial impact as they struggle to keep their doors open leading to historic unemployment and job displacement with no end in sight.

WDACS applied for and was awarded \$2,000,000 from the State of California Economic Development Department (“EDD”) to assist impacted workers and businesses. The Grant Fund will include \$500,000 to disburse to businesses, plus we will provide REDF with \$15,000 for administration. This workforce innovation will provide grants (up to \$10,000) to businesses (for-profit corporations, partnerships, non-profits and social enterprises) that have a minimum of two and up to fifty employees; can demonstrate significant economic hardship as a result of COVID-19 (20% loss in revenue); and have less than \$2,000,000 in gross receipts.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended action supports Countywide Strategic Plan Goal 1: Make Investments that Transform Lives by supporting job readiness and increasing employment opportunities; and Strategic Plan Goals 2: Foster Vibrant and Resilient Communities by aligning workforce development programs to provide career pathways for high-needs, priority populations and to support the labor needs of the County’s high-growth industry sectors.

## **FISCAL IMPACT/FINANCING**

The Grant Fund is financed by a \$2,000,000 Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker grant that EDD recently awarded WDACS. There will be no NCC impact. The Grant fund will include \$500,000 for grants to businesses, plus \$15,000 in admin for REDF, for a total of \$515,000. WDACS is pursuing additional grant opportunities to increase future financing of the Grant Fund.

The Catalog of Federal Domestic Assistance (“CFDA”) for our federally funded programs are:

- WIOA Dislocated Worker funds: 17.278; Federal grantor is DOL

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Our funding source for the Grant Fund, EDD, agrees that Title II CFR Section 200.329 applies, and our current public health and economic crisis falls under the “public exigency” provision to allow a sole source contract. Upon receiving the recommended delegated authority, WDACS will execute the amendment for continued implementation and administration of the Grant Fund identified herein.

### **CONTRACTING PROCESS**

Due to the immediate need to help businesses, we expedited this contract with REDF. On April 3, 2020, WDACS informed your Board of its intent to use its delegated authority to executive the sole-source contract with REDF at an initial amount of \$250,000, and then to seek approval via this Board Letter to add \$265,000 to the contract. Your Board provided WDACS with delegated authority to enter into contracts up to \$250,000 for workforce program innovations on June 13, 2017. The contract term with REDF is April 8, 2020 to June 30, 2020 (with an optional (1) one-year extension).

### **MONITORING REQUIREMENT**

Administrative, programmatic and fiscal monitoring of all Workforce Programs and program subrecipients will be conducted on an annual basis to ensure subaward compliance. Administrative, program and fiscal monitoring will be conducted by the Los Angeles County's Department of Auditor-Controller ("A-C"), a vendor provided by the A-C, WDACS monitoring staff, or another qualified vendor.

### **IMPACT ON CURRENT SERVICES**

Approval of the recommended actions will enable WDACS to move forward rapidly in assisting businesses with temporary financial assistance in order to combat the economic disruptions caused by COVID-19.

### **CONCLUSION**

Should you have questions, please contact me directly, or your staff may contact Mr. Kevin Anderson, Special Assistant, at (213) 738-2593 or [kanderson@wdacs.lacounty.gov](mailto:kanderson@wdacs.lacounty.gov).

Respectfully submitted,

OTTO SOLÓRZANO  
Acting Director

OS:PG:CD:MY