

MOTION

On April 8, 2014 Council adopted the 40th Program Year Consolidated Plan, (Council File No.13-1395) which provided \$420,000 in Community Development Block Grant (CDBG) funds for the Step Up on Vine project, a mixed-use project located at 1057 Vine Street, Los Angeles, in Council District 13. The CDBG funds were allocated for the development of the retail component and necessary job training functions. Following the adoption of the Consolidated Plan, it was determined that rehabilitation of the building had already been completed by Step Up on Second, Inc., in partnership with Hollywood Community Housing Corporation.

The project consists of 34 units of permanent supportive housing for low-income individuals with serious mental illness, including homeless adults and transitional-aged youth, and 1,000 square feet of retail space. The 34 unit facility opened its doors in March 2013, however funding is needed for working capital to purchase equipment and supplies for the retail space and café.

To ensure that Step Up on Vine continues to provide vital services and build connections to the labor force, the \$420,000 CDBG funds originally approved for construction are now needed as a Special Economic Development activity for working capital to purchase equipment and supplies for Step Up on Vine Café, LLC the for-profit entity operating the café. A job training program will be operated as a function of the café and is expected to create twelve permanent jobs; seven of which will be held by or made available to low-moderate income individuals.

I THEREFORE MOVE that the City Council, subject to the approval of the Mayor:

1. APPROVE the change in use of the \$420,000 in CDBG funds from construction of the retail component to providing working capital for the Step Up on Vine Café project.
2. AUTHORIZE the General Manager of the Housing Community Investment Department, or designee to prepare an amendment to the Consolidated Plan if needed in accordance with the City's Citizen Participation Plan.
3. AUTHORIZE the General Manager of the Economic and Workforce Development Department, or designee, to negotiate and execute a contract with Step Up on Second Street, Inc. for a total amount of \$420,000 through December 31, 2015 to effectuate the intent of this motion, subject to the approval of the City Attorney as to form and legality.

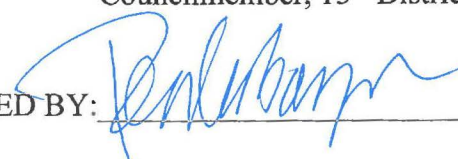
FEB 13 2015

PRESENTED BY:


MITCH O'FARRELL

Councilmember, 13th District

SECONDED BY:



ORIGINAL