

ECONOMIC DEVELOPMENT and HOMELESSNESS AND POVERTY COMMITTEES REPORT relative to authorizing the Economic and Workforce Development Department (EWDD) to access \$1,000,000 of earmarked Unappropriated Balance (UB) funds from the 2017-18 Adopted Budget for implementation of the Los Angeles Regional Initiative for Social Enterprise (LA:RISE) 3.0 Program.

Recommendations for Council, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, EWDD, or designee, to accept \$1,000,000 of earmarked UB funds from the 2017-18 Adopted Budget to fully implement the expansion of the LA:RISE Program (The EWDD has previously accepted \$1,000,000 in City General City Purposes Funds through the Year 18 Workforce Development Board Annual Plan for LA:RISE).
2. AUTHORIZE the Controller to transfer \$1,000,000 cash from the City UB Fund No. 100/58 to the LA RISE- City GF Homeless Program Fund No. 10C.
3. AUTHORIZE the General Manager, EWDD, or designee, to prepare Controller's instructions for any necessary technical adjustments, subject to review by the City Administrative Officer; and REQUEST the Controller to implement the instructions.

Fiscal Impact Statement: The EWDD reports that all recommendations contained in the December 4, 2017 EWDD report, attached to the Council file, will have no negative financial impact on the City General Fund, inasmuch as the LA:RISE funds were previously allocated to this program.

Community Impact Statement: None submitted.

Summary:

On December 12, 2017, the Economic Development Committee (EDC) considered a December 4, 2017 EWDD report relative to authorizing the EWDD to access \$1,000,000 of earmarked UB funds from the 2017-18 Adopted Budget for implementation of the LA:RISE 3.0 Program. According to the EWDD, pursuant to the adoption of the Mayor's 2017-18 Budget, it was allocated funding to continue and expand the LA:RISE Program (aka LA:RISE 3.0). The EWDD had requested \$2 million to serve 300 participants in its budget request. However, the adopted budget provided \$1 million in General City Purposes funds for the first six months, and an additional \$1 million in earmarked UB funds for the remaining six months, contingent on meeting performance targets, as detailed in the EWDD report, attached to the Council file.

LA:RISE is building a pathway from unemployment, to transitional (subsidized) employment at a social enterprise, to permanent (unsubsidized) work for individuals who have been previously homeless or incarcerated. Social enterprises are competitive, revenue-generating businesses with a clear social mission to hire and train people who are striving to overcome employment barriers. Social enterprises provide real, paying jobs and wraparound services that help employees stabilize their lives, build their skills, and succeed. When employees are ready, social enterprises help them find lasting, competitive jobs; and because social enterprises reinvest their

profits back into their businesses so they can help more people, they require less outside funding and are more sustainable. Under the LA:RISE model, social enterprises and workforce agencies work together to better prepare individuals both professionally and personally by providing paid work experience and personal supports such as housing, transportation, and legal services.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the December 4, 2017 EWDD report and detailed in the above recommendations. Subsequently, on January 17, 2018, the Homelessness and Poverty Committee also considered this matter and after having provided an opportunity for public comment, moved to concur with the EDC. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



MEMBER VOTE

PRICE: YES
BUSCAINO: YES
HUZAR: YES

HOMELESSNESS AND POVERTY COMMITTEE



MEMBER VOTE

HARRIS-DAWSON: YES
RODRIGUEZ: YES
HUZAR: YES
BONIN: YES
PRICE: YES

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2/5/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-