

MOTION

Yesterday afternoon the Economic and Workforce Development Department was informed that Valley Economic and Development Center (VEDC) filed for bankruptcy and would no longer operate the West Valley and North Valley BusinessSource Centers. The closure of these two locations will create a tremendous void in services for the business community in a large portion of the City. The businesses using these services will be shocked by the news and burdened by the abrupt cut off in services. It is crucial that the businesses receiving services out of the West Valley and North Valley BusinessSource Centers continue to access business services.

While EWDD is preparing an RFP to procure services for all the BusinessSource Centers for the program year beginning July 1, 2020, that will not address the void caused by the unexpected closure of the West Valley and North Valley BusinessSource Centers this fiscal year. There must be a temporary solution identified to reopen these locations as soon as possible with the same level of services. This should include proactive outreach to re-engage businesses receiving services at the time of the closure.


A healthy City must create an environment in which local businesses can thrive. BusinessSource Centers provide hands on guidance on business planning, taxes, marketing, administers the microloan program and more. VEDC was contracted by the City of Los Angeles through the Economic and Workforce Development Department to operate the West Valley and North Valley BusinessSource Centers. The services provided at these locations included business courses, technical assistance, loan preparation, lending, operational improvement, and networking.

I THEREFORE MOVE that the Council determine, as provided in Section 54954.2(b)(2) of the Government Code, and pursuant to Rule 23 of the Rules of the City Council, that there is a need to take immediate action on this matter AND that the need for action came to the attention of the City Council subsequent to the posting of the agenda for today's Council meeting.

I FURTHER MOVE that the Economic and Workforce Development Department obtain a replacement operator for the West Valley and North Valley Business Source Centers and report back on the outcome and the impact of the temporary closure on the businesses receiving services.

I FURTHER MOVE that Council authorize the General Manager, EWDD, or designee, to negotiate and execute an agreement with the replacement operator for West Valley and North Valley BusinessSource Centers.

PRESENTED BY: 
BOB BLUMENFELD
Councilmember, 3rd District


MONICA RODRIGUEZ
Councilmember, 7th District

SECONDED BY: 

ORIGINAL

July 3, 2019
