

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to the establishment of a legacy business program in the City of Los Angeles.

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

1. ADOPT and APPROVE a Los Angeles Legacy Business Program as detailed in Recommendation Nos. 2, 6, and 7 of Exhibit B of the March 3, 2022 Economic and Workforce Development Department (EWDD) report, attached to the Council File, with the following criteria:
 - a. The EWDD will create an application process for businesses to be included on the Legacy Business Registry, quarterly review applications, and provide a staff recommendation to the Small Business Commission for inclusion on the Registry.
 - b. A “Legacy Business” will be defined as a business that has been in operation for 20 years or more within the same community, and which meets three of the following four criteria:
 - i. It contributes significantly to its community’s history or identity.
 - ii. It sustains and cultivates distinctive cultural traditions or practices.
 - iii. The business is not franchised or affiliated with a national corporate chain.
 - iv. It provides vital goods and services in a language and manner that is culturally accessible to the community.
 - c. The EWDD will give prioritization for inclusion on the registry to businesses that face an imminent threat of displacement, and those businesses who are located in low-income communities (defined as those with median incomes under 50 percent Area Median Income).
 - d. The Legacy Business Assistance Grants will include the use of funds to help Legacy Businesses negotiate long-term lease agreements with their landlords.
 - e. The EWDD will solicit a contractor to assist with marketing and branding of the program.
2. AUTHORIZE the EWDD to be the lead entity to implement the Legacy Business Program, including providing technical assistance and assistance grants, subject to funds availability.

3. AUTHORIZE the Controller to transfer funds from the American Rescue Plan Act (ARPA) Business Assistance Programs Fund No. 64N, Account No. 22V835, Legacy Business Program, to the new US Bank account for the disbursement of grants to approved small businesses, upon presentation of proper documentation by EWDD.
4. RESOLVE and AUTHORIZE one position of Project Coordinator (Class Code 1537) in the EWDD from July 1, 2022, through June 30, 2024, subject to position allocation by the Personnel Department and pay grade determination by the City Administrative Officer (CAO).
5. AUTHORIZE the General Manager, EWDD, or designee, to prepare Controller instructions and/or make technical adjustments that may be required and are consistent with this action, subject to the approval of the CAO; and, AUTHORIZE the Controller to implement these instructions.
6. AUTHORIZE the EWDD to establish and implement a Legacy Business Registry, including soliciting and reviewing candidates for designation as a Legacy Business, transmitting recommendations for designation to the Small Business Commission for approval.
7. INSTRUCT the EWDD to:
 - a. Report to the Economic Development and Jobs Committee on a bi-annual basis with a list of designated Legacy Businesses, assistance that has been offered, results of the program, and recommendations for improvement.
 - b. Work with the City Attorney, Department of Building and Safety, Planning Department and other relevant City entities to developing ways to assist Legacy Businesses and report to Committee on progress of these efforts.
8. AUTHORIZE the use of up to \$5M of ARPA funds as follows:
 - a. Legacy Businesses Assistance Grants- \$4,000,000
 - b. Technical Assistance Curriculum, Marketing and Community Engagement- \$500,000
 - c. EWDD program costs- \$500,000
9. AUTHORIZE the General Manager of EWDD, or designee to negotiate and execute professional services agreements with third-party consultants for up to \$500,000 for assistance in implementation of the Program.

Fiscal Impact Statement: The EWDD reports that the March 3, 2022 EWDD report, attached to the Council File, provides information relating to an analysis of various Legacy Business Programs including recommendations for a Citywide Legacy Business Program

that will have no negative impact on the City General Fund, as all proposed programming will be funded with ARPA funds.

Community Impact Statement: Yes

For:

Mid City West Neighborhood Council

Palms Neighborhood Council

Silver Lake Neighborhood Council

Summary:

On March 22, 2022, your Committee considered a March 3, 2022 EWDD report relative to the establishment of a legacy business program in the City of Los Angeles. According to the EWDD, in September 2019, Council directed the EWDD to report with an analysis of Legacy Business Programs implemented by other cities, and to make recommendations regarding the implementation of a Legacy Business Program in the City of Los Angeles. The EWDD is reporting back on Legacy Business Programs managed by the cities of San Francisco, San Antonio, and Seattle, and providing recommendations to implement a Legacy Business Program in the City of Los Angeles. The EWDD recommends that the City Council authorize the creation of a Los Angeles Legacy Business Program, including allocation of ARPA Funds and staffing in EWDD and the DCP necessary to implement the program. The recommended program will include establishment of a Legacy Business Registry, with the assistance of the Department of City Planning and the Cultural Heritage Commission, as well as technical assistance and grants to support designated Legacy Businesses.

After consideration and having provided an opportunity for public comment, the Committee moved to continue this matter. Subsequently, the Committee further considered item and after consideration and having provided an opportunity for public comment, the Committee moved to make a series of recommendations as detailed in the above recommendations. This matter is now submitted to Council for its consideration.
Respectfully Submitted,

Economic Development and Jobs Committee

COUNCILMEMBER

PRICE:

YES

COUNCILMEMBER

KREKORIAN: YES

BLUMENFIELD: YES

RAMAN: YES

HARRIS-DAWSON: YES

ARL

6/14/22

-NOT OFFICIAL UNTIL COUNCIL ACTS-