



ERIC GARCETTI
MAYOR

May 11, 2021

Honorable Members of the City Council
c/o City Clerk
Los Angeles City Hall
Los Angeles, CA 90012

Re: 2019 Proposition 47 Grant Program Cohort 2 Reserve Fund Loan (Council File No. 20-0021)

Dear Honorable Members:

Transmitted herewith for City Council consideration is a request for a Reserve Fund Loan related to the State of California Board of State and Community Corrections (“BSCC”) Proposition 47 Grant Program to continue Project impACT Cohort 1, a program, currently funded through the BSCC, that provides formerly incarcerated individuals with employment services, in tandem with peer support, legal services, and behavioral health services. On January 29, 2020, the City Council accepted the Proposition 47 Grant Project impACT Cohort 2 award in the amount of \$5,999,304.00 for the performance period of August 15, 2019 through May 15, 2023.

Background

Proposition 47, or the Safe Neighborhoods and Schools Act, was passed by California voters in November 2014. Proposition 47 created Penal Code section, §1170.18, which allows individuals currently serving felony sentences for specified crimes to petition the sentencing court to have their sentences reduced to misdemeanor sentences. In addition, it allows individuals who have completed a sentence for certain low-level felonies to ask the sentencing court to designate the conviction as a misdemeanor. The savings from reduced incarceration costs are to be invested into mental health and drug treatment, prevention, support programs in K-12 schools, and victim services.

In June 2017, the BSCC awarded the Mayor’s Office of Economic Opportunity, Office of Reentry \$5,998,384.00 in funding for the creation and implementation of Project impACT

Cohort 1 over a three-year performance period from June 16, 2017 through September 30, 2021. The purpose of Project imPACT program is to assist formerly incarcerated individuals, by providing employment services in tandem with peer support, legal services, and behavioral health services. Project imPACT provides employment services for justice-involved individuals with the goal of job placement and retention, combined with evidence-based multi-disciplinary supports. The multi-disciplinary supports serves program participants, called Fellows, holistically and includes behavioral health services, legal services, and peer-based support. By pairing employment services with evidence-based practices that specifically serves formerly incarcerated individuals, participants are more likely to successfully obtain and retain employment.

On January 18, 2019, the BSCC issued a Proposition 47 Grant Project imPACT Cohort 2 Request for Proposals in which the City submitted its application by the March 18, 2019 due date. On June 13, 2019, the City was awarded a \$5,999,304.00 grant to implement Project imPACT Cohort 2 over a forty-five (45) month performance period from August 15, 2019 through May 15, 2023. The Project imPACT Cohort 2 grant award will be utilized to continue and build upon the progress made from the initial grant but will include an additional program enhancement of housing support services for both Cohort 1 and Cohort 2 participants (Fellows).

Reserve Fund Loan

The Proposition 47 Grant Project imPACT Cohort 2 is administered by the BSCC on a reimbursement basis only. Requests for reimbursement will be accepted by the BSCC on a monthly basis. Therefore, the Mayor's Office requests a Reserve Fund Loan in the amount of \$950,000 to facilitate cash flow and immediate disbursement of funds towards grant implementation of Proposition 47 Project imPACT Cohort 2 activities and service delivery conducted by sub-contractors. The proposed Reserve Fund Loan is to be repaid by the Mayor's Office upon reimbursement of Proposition 47 Project imPACT Cohort 2 grant funds from the BSCC.

Recommendations

It is therefore requested that the City Council:

1. Approve a Reserve Fund advance in the amount of \$950,000 and authorize the Controller to transfer said amount from the Reserve Fund to the Unappropriated Balance Fund 100, Department 58 and appropriate therefrom to the Proposition 47 Project imPACT Cohort 2 Grant Fund 63L, Department 46, Account 46T304, with the Reserve Fund advance to be reimbursed upon receipt of grant funds from the California Board of State and Community Corrections (BSCC);
2. Request that the Mayor, or designee, to submit grant reimbursement invoices to the grantor on a monthly basis to ensure timely repayment of the Reserve Fund advance; and

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3. Authorize the Mayor, or designee, to prepare Controller instructions and/or make technical adjustments that may be required to implement the actions approved by the Mayor and Council on this matter, subject to the approval of the City Administrative officer and authorize the Controller to implement the instructions.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Garcetti", with a horizontal line extending to the right and a small mark at the end.

ERIC GARCETTI

Mayor

EG: lh. gvj