

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to the 27th Street Neighborhood Recovery Plan.

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

1. AUTHORIZE the transfer/appropriation of:
 - a. \$650,000 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the General City Purposes Fund No. 100-56, Account No. 000452 (CD 9– Environmental Equity and Justice Fund) as repayment of the loan approved by Council on October 20, 2021 (Council File No. 21-0775-S2).
 - b. \$1,808,444 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the General City Purposes Fund No. 100-56, New Account entitled, “CD9– 27th Street Neighborhood Recovery Plan Fund,” for the establishment and operation of a 27th Street Neighborhood Recovery Center and providing of related services.
2. AUTHORIZE the transfer/appropriation of \$1,064,000 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the Community Investment for Families Department (CIFD) Fund No. 100-21, Account No. 3040 (Contractual Services), to continue to house those individuals displaced by the blast that occurred on June 30, 2021 in the 27th Street Neighborhood; and, AUTHORIZE the CIFD to prepare, process, and execute the necessary documents with and/or payments to Omni 888 Olive St LP, or any other agency or organization, as appropriate, in this amount and for this purpose, subject to the approval of the City Attorney as to form.
3. AUTHORIZE the City Clerk to prepare, process and execute the necessary documents and/or payments up to \$1,175,000 with/to the Coalition for Responsible Community Development, or any other agency or organization, as appropriate, subject to the approval of the City Attorney as to form, to continue necessary repairs to the residences damaged by the blast on or about June 30, 2021, to be funded by the new General City Purposes Fund No. 100-56, CD9– 27th Street Neighborhood Recovery Plan Fund.
4. INSTRUCT the Department of General Services, with the assistance of City Attorney and Council District Nine, to negotiate and execute a one-year lease agreement with the owners of the property located at 2525 Trinity Street, Los Angeles CA 90011, for space to be used as the 27th Street Neighborhood Recovery Center.

5. AUTHORIZE the transfer/appropriation of \$314,556 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the Community Investment for Families Department (CIFD) Fund No. 100-21, Account No. 3040 (Contractual Services), to provide management and related services associated with the 27th Street Neighborhood Recovery Center; and, AUTHORIZE the CIFD to prepare, process, and execute the necessary documents with and/or payments to All People Community Center, or any other agency or organization, as appropriate, in this amount and for this purpose, subject to the approval of the City Attorney as to form.
6. AUTHORIZE the Chief Legislative Analyst (CLA) to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CLA reports that the recommended current year transfers and appropriations in this report for the 27th Street Neighborhood Recovery Plan total \$3,837,000 and would reduce the Unappropriated Balance Reserve for Extraordinary Liability line item by a like amount.

Community Impact Statement: None submitted.

Summary:

On February 8, 2022, your Committee considered a February 3, 2022 CLA report relative to the 27th Street Neighborhood Recovery Plan. According to the CLA, on June 30, 2021, the Los Angeles Police Department seized a cache of illegal fireworks from a residence located on the 700th block of East 27th Street in Council District Nine (CD) 9 and attempted a controlled detonation of the fireworks, resulting in a large explosion which injured 17 individuals, destroyed 37 vehicles, and damaged over 35 properties. Fire and Police personnel rendered medical aid in the immediate aftermath to both residents and City personnel who were injured. 16 people were transported to local hospitals, and additional residents suffered from Post-Traumatic Stress Disorder (PTSD) following the explosion.

In the days following the explosion, a temporary Response Center was opened at Trinity Recreation Center, and a resource site was opened at the 28th Street YMCA. Auditory exams, medical checkups, and other referrals were provided in partnership with St. John's Well Child & Family Center. A \$1 Million Emergency Relief Fund was established by the CD 9 Council Office to assist in expediting payments and repairs to the homes of the families who were impacted by the explosion. Several Council approved recovery efforts, including assistance with home repairs, emergency housing accommodations, and financial assistance have been provided on an ongoing basis since the explosion.

To date, Council has authorized \$1,813,000 toward these services. Of this amount, \$1,113,000 has been allocated for the housing of individuals displaced by the explosion and \$700,000 for cleanup services, debris removal, assistance with interim living expenses associated residential displacement, and necessary repairs to the residences.

Funding sources for the authorized amount included \$1,163,000 from LAPD funds (Council File No. 21-0775) and the remaining \$650,000 from CD 9 loaned funds (Council File No. 21-0775-S2).

In response to the incident, the EMD established the “Long-Term Recovery Group” (LTRG), consisting of several City departments, the County, and community benefit organizations. The purpose of the LTRG is to coordinate long term recovery efforts for the 27th Street Neighborhood explosion. The LTRG is intended to assist the transition from response to recovery by coordinating responding agencies, setting objectives, monitoring process, recommending budget requests, and evaluating the need for additional action. As part of the LTRG, four “Recovery Support Functions” (RSFs) were identified and activated to provide a coordinating structure, facilitate problem solving, and improve access to resources. Each RSF is responsible for a key focus area of assistance.

The four RSFs activated in response to the 27th Street Neighborhood explosion are as follows:

- Community Planning and Capacity Building (RSF 1)
- Economic (RSF 2)
- Health and Social Services (RSF 3)
- Housing (RSF 4)

The LTRG and each RSF have and continue to meet on a weekly basis to coordinate recovery response efforts. This Office recommends the 27th Street Neighborhood Recovery Plan attached to this report, which is intended to provide supplementary objectives in recognition of the City’s need to further assist those directly affected by the explosion, and the 27th Street Neighborhood as a whole. Accordingly, the Recovery Plan maintains the LTRG and RSF coordination in place, so they can continue to coordinate recovery and response efforts. In addition, preserving these coordinating structures will allow the response to remain consistent with EMD disaster recovery policies.

Additionally, The CLA concurs with the need for a Recovery Center for up to one year at a site within the 27th Street Neighborhood that has been identified by CD 9 and would be consistent with the City’s emergency response. Management and related services associated with the Recovery Center would be provided in collaboration with non-profit partners. For the current fiscal year, the above requires \$3,837,000 in funding to cover repayment of the CD 9 loaned funds (\$650,000), continued housing of displaced individuals through June 30, 2022 (\$1,064,000), continued repairs on damaged properties (\$1,175,000), and the establishment and operation of a Recovery Center with related services (\$948,000). Any unspent funds from the current year should be reappropriated to the following fiscal year. Approval of the above amount plus the previously approved \$1,163,000 from LAPD funds would total \$5,000,000. Since expenditures associated with the 27th Street Neighborhood Recovery Plan are one-time in nature, funding could come

from the Reserve Fund, alternatively, the Fiscal Year 2021-22 Adopted Budget includes a \$23,894,790 line item entitled "Reserve for Extraordinary Liability." This line item was increased by \$3,894,790 by Council when adopting the budget. Utilizing it to fund the Recovery Plan would be consistent with its intended purpose. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CLA report, as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

COUNCILMEMBER	VOTE
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	YES
HARRIS-DAWSON:	YES

ARL

2/8/22

CD 9

-NOT OFFICIAL UNTIL COUNCIL ACTS-