

CITY OF LOS ANGELES

CALIFORNIA

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1200 W. 7TH STREET
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DATE: August 25, 2020

TO: LA's Workforce Development System

FROM: Gerardo Ruvalcaba, Director
Workforce Development Development 

**SUBJECT: WDS INFORMATION BULLETIN 21-02
ANNOUNCEMENT OF LA REGIONAL COVID-19 RELIEF AND
RECOVERY FUND**

EFFECTIVE DATE

This information bulletin is effective upon date of issue.

PURPOSE

The purpose of this information bulletin is to advise the Workforce Development System that the Los Angeles Ad Hoc Committee on COVID-19 Recovery and Neighborhood Investment approved the use of a total of \$50 million of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Funds, of which \$39 million would go to the LA Regional COVID 19 Relief and Recovery Fund.

BACKGROUND

On August 19, 2020, the Los Angeles Ad Hoc Committee on COVID-19 Recovery and Neighborhood Investment approved the use of a total of \$50 million of CARES Act Funds, of which \$39 million would go to the LA Regional COVID 19 Relief and Recovery Fund. The Coronavirus Aid, Relief, and Economic Security (CARES) Act is an economic stimulus bill passed by Congress in response to the economic fallout of the COVID-19 pandemic in the United States. The City of Los Angeles received slightly less than \$700 million in CARES Act funding to address a myriad of economic challenges caused by the COVID-19 crisis. The LA Regional COVID 19 Relief and Recovery Fund, adopted by the Los Angeles City Council on June 23, 2020, is a City of Los Angeles/County of Los Angeles partnership with philanthropic organizations organized to provide loans and grants to Los Angeles based small businesses and nonprofit organizations that have suffered economic hardship during the COVID-19 pandemic.

Local Initiative Support Corporation Los Angeles (LISC LA), Administrative Agent for the Los Angeles Regional COVID-19 Relief and Recovery Fund, will administer the Phase 1 grant program by deploying approximately \$39 million in CARES Act funding to microenterprises, small businesses and nonprofits by December 30, 2020 in varying

This WIOA Title I financially assisted program or activity is an equal opportunity employer/program.
Auxiliary aids and services are available upon request to individuals with disabilities.

amounts ranging from \$5,000 to up to \$100,000. The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that comply with the following: (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) and (2) were incurred during the period that begins on March 1, 2020, and ends on December 31, 2020.

Process

Grants will be chosen through an online lottery system, administered by LISC LA. Grants will be administered over approximately two or three rounds under Phase 1. The larger grants of \$50,000 or more will not be selected via lottery but instead will undergo a review to assess program alignment and organizational capacity to handle a large federal grant and the required reporting.

Target Grant Recipients

Grant recipients will be chosen through an online weighted lottery system (except for those larger grants as outlined above) in order to support the most vulnerable communities. Therefore, applicants and/or geographic locations that meet the following criteria will be weighted more heavily in the lottery system: Entities that are located in low- and moderate-income communities (80% and 50% of AMI); Entities that are led or owned by veterans Small businesses and nonprofits with annual gross revenue below \$500K; CalEnviroScreen Map communities with health hazard ranges at 90%+; and Socioeconomic Data Composite Score by Supervisorial and City Council Districts (i.e. poverty rates, educational attainment, median income, etc.), with the districts with disadvantaging factors receiving higher lottery weightings.

Applicants can apply through www.lacovidfund.org. The next round is scheduled to open on August 31, 2020. Please check the website regularly for updates.

CONTACT

Please visit LISC LA at www.lisc.org/los-angeles for more information.

GR:cg