



AGENDA ITEM NO. 21

CITY OF HAWTHORNE City Council AGENDA BILL

For the meeting of October 24, 2023

Originating Department: Finance

City Manager:



Vontray Norris

Dir. of Finance:



Felice Lopez

SUBJECT:

Approval of Amended Agreement with South Bay Workforce Investment Board to provide business assistance services under the City of Hawthorne's Business Assistance Grant Program

RECOMMENDED MOTION:

Staff recommends that the City Council approve the amended agreement with the South Bay Workforce Investment Board to provide business assistance services for the City of Hawthorne's Business Assistance Grant Program.

DISCUSSION:

At previous meetings the Council adopted an American Rescue Plan Act (ARPA) Plan, which outlined various projects and programs for expenditures of the ARPA funds. One of the categories of expenditures was for Business Assistance Programs. One of those programs was a Business Assistance Grant Program. The program will provide grants of up to \$5,000 to provide individualized assistance to businesses in a variety of areas, including employee training, rehiring, COVID-19 grant and loan application processing, financial training and marketing assistance. The business and rental assistance programs were budgeted for a total of \$250,000 in American Rescue Plan Act (ARPA) funds.

The initial application process was very successful with the City receiving 29 approved applications. Since there was still additional funding available the City extended the application deadline through September 29th. At the close of the extended application deadline there were 8 additional applications, 6 of which appear to be qualified. These bring the total of grant recipients to 35.

The Business Assistance Grant program will provide assistance services to businesses utilizing two third-party providers. City staff and the city's ARPA consultant, HdL Companies, identified

the South Bay Workforce Investment Board (WIB) as one of the third-party vendors to provide the business assistance to approved Business Assistance Grant recipients.

The City had previously approved contracts with the consultant to provide these services. Due to the shift in services requested in the grant applications, the amount in the initially approved agreements needs to be adjusted. This does not impact the overall budget allocated for the overall program but reflects a reallocation of some of the funds.

The amended SBWIB proposal is proposed to increase from \$53,000 to \$132,500. The shift in funding comes from fewer grant applicants for the Business Rental Assistance Program. To reiterate, the total amount of funding for the overall Business Assistance Grant Program is not increasing.

City staff and the city's ARPA consultant have reviewed the SBWIB amended agreement and recommend approval.

FISCAL IMPACT:

None for Business Recovery Assistance. All expenses are reimbursable from the ARPA funds.

NOTICING PROCEDURES:

72 hours posted notice pursuant to the Ralph M. Brown Act

ATTACHMENT(S):

1. SBWIB Amended Agreement 10-2023
2. SBWIB Original Agreement 05-2023