

FOR IMMEDIATE RELEASE April 6, 2020

LA County WDACS to Launch \$500,000 Employer Assistance Grant Fund

Webinar to provide guidance to local businesses on how to apply for these grants

LOS ANGELES, CA: Today, the Los Angeles County Department of Workforce Development, Aging and Community Services (WDACS), with support of the Los Angeles County Board of Supervisors, announced that the LA County Employer Assistance Grant Fund will be launched on Wed., April 8. The LA County Employer Assistance Grant Fund will be launched on Wed., April 8. The LA County Employer Assistance Grant Fund will provide a total of \$500,000 to local businesses. Individual businesses may be awarded up to \$10,000 based on demonstrated need. Approximately 25% of awards will be reserved for social enterprises that demonstrate a need and ability to serve vulnerable populations. Applications will be processed on a first-come-first-served basis, and will close once 150 applications are received.

A webinar to guide businesses on the application process will be held Tuesday, April 7 at 1:30pm: webinar link

The application site will open on Wednesday, April 8, at 8:00am: workforce.lacounty.gov

"The coronavirus pandemic has impacted residents and businesses throughout Los Angeles County," said Supervisor Kathryn Barger. "It is vitally important that we pursue every resource available to support local business and help maintain good job opportunities throughout the region."

"Los Angeles County will assist our most burdened businesses impacted by the COVID-19 crisis with the launch of our Employer Assistance Grant Fund," said Los Angeles County Supervisor Hilda L. Solis. "This innovative state-funded program will help our local businesses, including nonprofits and social enterprises that serve our communities' most vulnerable individuals. This unprecedented global pandemic requires an unprecedented response, and LA County stands ready to offer relief to our small businesses."

"We know that long after COVID-19 is gone, the economic damage it has wrought will remain—so we must do all that we can to help our local small enterprises survive," said Supervisor Mark Ridley-Thomas. "The well-being of so many in this County depends on it."

"While we fight to lessen the health impacts of the worst pandemic in a century, we also are working to reduce the impact of this pandemic on businesses, workers and their communities," said Supervisor Sheila Kuehl. "This innovative funding program is the first of its kind in the state and will help businesses keep their doors open and their workers employed."

"This virus is threatening both the lives and the livelihoods of millions of LA County residents," said Supervisor Janice Hahn. "As we work to slow the spread of the coronavirus and support our healthcare workers, we will also do everything we can to help our small businesses survive this crisis and keep their employees."

"Thank you to Gov. Newsom and EDD for providing this critical funding for LA County's businesses, and to the Board of Supervisors for their support of this essential program," said Otto Solorzano, Acting Director of WDACS. "The Employer Assistance Grant Fund will provide some of our local businesses with desperately needed capital at a critical time, allowing them to retain workers and remain in business. We are proud that the LA County Employer Assistance Grant Fund is the first of its kind to be offered in the State of California."



In order to qualify to apply for the Employer Assistance Grant Fund, the business must:

- Be a for-profit corporation, partnership, or non-profit with a for-profit activity in Los Angeles County. Social enterprises and non-profit (501(c)3) firms qualify.
- Application review priority will be given to businesses in the unincorporated areas of LA County: <u>http://planning.lacounty.gov/znet</u>

• Have <u>between 2 and 50 full-time employees</u>. (Note: Applicants that serve high barrier and/or vulnerable populations may exclude <u>transitional</u> employees from this count).

- Have less than \$2,000,000 in gross receipts or annual revenue
- Demonstrate <u>significant economic hardship</u> as a result of COVID-19. (Businesses that have demonstrated evidence of a loss of revenue of at least 20% will have met the burden of demonstrating significant economic hardship)
- Have been established at least one quarter prior to March 4, 2020 (on or before December 4, 2019)
- Be able to produce tax returns

Funding is not guaranteed. Factors that will be considered when determining grant awards will include (1) impact of the COVID-19 crisis; (2) best use/highest impact; (3) years in business operation; (4) number of employees impacted; and (5) ability to leverage alternate funds. Compliance with the grant will be monitored for three years.

Grant funding may be used for the following:

- Mortgage payments
- Bridge funding to other lending or financial resources (e.g. SBA Payroll Protection)
- Working capital costs
- Inventory
- Rent
- Utility expenses
- Other debt obligations incurred before the covered period

Funds cannot be used to satisfy any outstanding tax liens, legal judgements, any lobbying activities, employee payroll, or fringe benefit expenses.