

Date: October 10, 2022

To: Thomas B. Modica, City Manager *T.M.*

From: Johnny M. Vallejo, Acting Director of Economic Development *JM*

For: Mayor and Members of the City Council

Subject: Long Beach Recovery Act – Small Business and Nonprofit Relief Grants

On September 20, 2022, the third and final round of award notifications were sent from the vendor LiveStories to grantees for the Long Beach Recovery Act (LB Recovery Act) Small Business and Nonprofit Grant Programs, exhausting all funding available. Cumulatively these programs have provided over \$10.3 million to local small businesses and nonprofit organizations to help them recover from the impacts of the COVID-19 pandemic.

The three business grants were originally planned to only have two rounds of funding. Administrative costs were lower than anticipated due in large part to the quick roll out of the program, as well as a resulting reduction in overhead costs for the programs. \$1.9 million was identified and distributed across all programs, in addition to the \$8.4 million originally budgeted, funding an additional 190 grants for businesses and 20 additional grants for nonprofits. Small businesses were heavily impacted by the pandemic and the need in the community has proven to be larger than the funding available. There were far more applicants than funding could support, and on September 20, 2022, many businesses and nonprofits received notification that they would not receive a grant due to exhaustion of funding.

The information below provides a summary of the grant funds awarded, and the categories in which they were awarded.

Grant Name	Total Businesses Awarded	Total Grants Awarded
Restaurant, Brewery, and Bar Relief Grant	208	\$3,540,900
Personal Services and Fitness Relief Grant	322	\$3,537,000
Small Business Relief Grant	234	\$1,436,000
Nonprofit Relief Grant	129	\$1,838,700
Total All Programs	893	10,352,600.00

Grant Application Review and Prioritization

The City of Long Beach’s (City) vendor, LiveStories, provided primary review of all grant applications to verify eligibility and prioritization scoring. City staff reviewed at least 10 percent

of all applications in each program to verify the LiveStories process and ensure any errors were addressed systematically.

These grant programs were not first come, first served. The City prioritized the equitable distribution of resources for Long Beach Recovery Act Small Business and Nonprofit Relief Grant Programs. All business applications were scored using a weighted-selection process to prioritize resources for diverse entrepreneurs, brick-and-mortar businesses, businesses that were in existence prior to March 2020, and businesses located in low-and-moderate income areas. All nonprofit applications were scored using a weighted-selection process to prioritize resources for nonprofits that provide important social safety net services, serve Black, Latinx, Asian, Indigenous, and other people of color communities, are led by Black, Latinx, Asian, Indigenous, and other people of color leaders, and serve areas of Long Beach highly impacted by COVID-19 hospitalization rates.

The prioritization methodology was developed in collaboration with the LB Recovery Act team and with input from other departments and community stakeholders. All of the LB Recovery Act small business and nonprofit relief grant programs were developed with input received by small businesses, nonprofits, community partners, and the City Council through a series of roundtables, presentations, and consultations with local experts.

These grant programs were made possible by LB Recovery Act, a plan to fund economic and public health initiatives for Long Beach residents, workers, and businesses critically impacted by the COVID-19 pandemic. A total of \$20 million has been allocated for business support under the LB Recovery Act including \$12 million in support of these grant programs. Additional information can be found at www.longbeach.gov/smallbizgrants.

If you have any questions, please contact Courtney Chatterson at Courtney.Chatterson@longbeach.gov.

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