


Date: April 6, 2023

To: Thomas B. Modica, City Manager 

From: Meredith Reynolds, Special Deputy City Manager for Recovery 

For: Mayor and Members of the City Council

Subject: **Long Beach Recovery Act – Fresh Start Long Beach Program**

The Long Beach Recovery Act (LB Recovery Act), approved by the City Council in March 2021, is a combination of State, local, and federal funds structured into three focus areas: Securing our City's Future, Healthy and Safe Communities, and Economic Recovery. The programs outlined in the Economic Recovery section specifically were a result of five economic equity studies and feedback from over 30 listening sessions with over 350 community representatives.

On September 7, 2021, the City Council requested the City Manager work with the Economic Development Department and Recovery Office to create a Fresh Start Long Beach Program by allocating Long Beach Recovery Act funds to lessen the financial burden on Long Beach business owners who have outstanding business license fees as a direct result of COVID-19 hardships.

LB Recovery Act – Funding for Fresh Start Program

The following Economic Recovery funding in the LB Recovery Act has been identified to be feasible to support a Fresh Start Long Beach program.

Business License Tax and Fee Grant Program: in the Economic Recovery funding category, the Business License Tax and Fee Grant Program includes unspecific funding (\$2,500,000) to provide financial relief to business impacted by the COVID-19 pandemic and is anticipated to cover the costs of delinquent business licenses and fees, and other City-related permits as funding allows. This program will fulfill the purpose of the Fresh Start program request and will provide credits towards outstanding business license taxes and health and fire department fees to lessen the financial burden on Long Beach business owners.

Through this program, Fresh Start grants will be awarded to businesses as credits toward the taxes and fees they owe to the City. These awards will go to businesses in sectors most impacted by the COVID-19 pandemic. Awarded business types include those previously identified as highly impacted under the Recovery grant programs, Personal Services and Fitness Relief, and Restaurant, Brewery and Bar Relief. The list of business types was also expanded to include retail, some hospitality and arts, and additional services. There will be no application, and no additional action required to accept this award, but businesses will be able to opt out if they do not want to have this award credited to their account. A press release will announce the awards and more details will be posted via: longbeach.gov/smallbizgrants

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The City will proceed with implementation using the Council-approved goals and funding guidelines unless City staff receives further direction from the City Council. The City's LB Recovery Act website will be updated to reflect the information included in this memo. As new programs come online, City staff will continue to provide detailed information through memoranda, press releases, and updates to the City's Long Beach Recovery Act website.

If you have any questions, please contact Meredith Reynolds, Special Deputy City Manager for Recovery, at (562) 570-6677 or Meredith.Reynolds@longbeach.gov.

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