



Date: March 15, 2024

To: Thomas B. Modica, City Manager 

From: Meredith Reynolds, Deputy City Manager 

For: Mayor and Members of the City Council

Subject: **Long Beach Recovery Act Program Changes**

On March 16, 2021, the City Council adopted the Long Beach Recovery Act (LBRA) becoming one of the first major cities to approve COVID-19 recovery programs made possible through the Federal American Rescue Plan Act (ARPA) and other Federal and State funding sources. Since then, City of Long Beach (City) staff have designed and launched 85 Long Beach Recovery Act (LBRA) programs aligned with the goals established in the LBRA [Collective Impact and Equity Implementation Framework](#) (Framework), and has made significant progress towards meeting the deliverables of all 85 programs.

As LBRA programs close, program funding may remain that can be invested in other LBRA programs through December 2024. The Recovery Office works with Departments to reprogram remaining LBRA funds after a program closes using the following criteria:

- Reprogramming LBRA funds to another LBRA program that meets the original intent of the funding;
- Reprogramming LBRA funds that have a nexus to collective impact;
- Reprogramming LBRA funds using an equity lens; and
- Reprogramming LBRA funds does not create new programs or fund programs beyond the established LBRA program deadline (December 2024).

Every effort was made to ensure all reprogrammed funds were allocated to other LBRA programs with a similar goal or intent and continued to adhere to the principles established in the Framework.

LB Recovery Act – Reprogrammed Funds

To ensure LBRA goals and deliverables continue to be met and funding is exhausted by December 31, 2024, the LBRA Office has identified a number of LBRA programs that either completed and met their deliverables under budget, or whose goals were more likely to be achieved by reallocating funds to another LBRA program with a similar scope; or could not complete their original scope by December 2024 due to delays beyond their control. The following LBRA programs have been identified to have remaining funds for reallocated between December 1, 2023, and March 15, 2024:

ActivateLB – Cultural Events to Creative Economy Mural Program

Reprogrammed Amount: \$122,000

The Cultural Events Program was designed to fund 27 cultural special events grants, neighborhood activation seed grants, business activation seed grants, and City-sponsored event direct relief grants as part of its ActivateLB Cultural Events Program. The Program met its goal by funding 36 events at a lower-than-estimated cost, leaving approximately \$122,000 in unprogrammed funds. These funds will be reallocated to the Creative Economy Mural Program, supporting additional non-profits and artists to activate a number of communities through painted murals that reflect the culture and history of the local community. All funds will be committed by December 31, 2024.

Free Internet Services & Computing Devices Program to LB Collaboratory (LB Co-Lab)

Reprogrammed Amount: \$120,000

The Free Internet Services and Computing Devices Program provided free mobile hotspots with one-year Internet service plans and computing devices to qualified low-income residents and small business owners that were disproportionately affected by the digital divide during the COVID-19 pandemic. The program resulted in an increase in residential and commercial connectivity and technology for low-income residents and small business owners. The program concluded with lower costs than initially anticipated, leaving approximately \$120,000 in unprogrammed funds. These unprogrammed funds will be reallocated to two programs.

- **LB Collaboratory Program: \$70,000**
The Long Beach Collaboratory (LB Co-Lab) is an immersive technology training program that utilizes a collaborative community engagement process to scope and implement a pilot technology infrastructure project. The additional \$70,000 will help implement a public wi-fi project in Ramona Park, which was identified as a need by residents through this Program. The funding will continue the original digital inclusion intent by providing residents with access to educational resources, encouraging digital connections that bridge the digital divide, as well as increasing the cultural and recreational and workforce infrastructure. All funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.
- **LB College Promise Program: \$50,000**
The Long Beach College Promise Internship Program leverages workforce development resources such as job preparation, networking opportunities, and training to link Promise students to hands-on experiences that contextualize their college education, bolster engagement, and allow them to explore a variety of careers related to their area of study. The additional \$50,000 will provide technology at the new FutureLB site which supports access to technology for College Promise participants. The reallocation will continue the

original digital inclusion intent by providing residents and youth with access to educational resources and encouraging digital connections that bridge the digital divide. All funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.

Economic Empowerment Zones (EEZs) Program

Reprogrammed Amount: \$2,000,000

The City allocated approximately \$3,300,00 to fund the feasibility and possible creation of special incentive zones such as Tax Increment Financing (TIF) districts which have become increasingly utilized by local agencies since adoption by the California Legislature in 2014-2015 as part of its Economic Empowerment Zones Program. The Program funded feasibility studies to establish the viability of Economic Empowerment Zones, studying the financial feasibility of a special incentive zone, including reviewing key social and economic characteristics (population, unemployment, etc.), defining potential boundaries, and estimating funding capacity based on property values and estimated increment available for reinvestment. The feasibility analysis, which was anticipated to be completed in Fiscal Year 2023 is still underway and it remains unclear whether the results of this analysis would determine whether establishing EEZs will be feasible, and if so, would not occur during the timeline of the Long Beach Recovery Act by December 2024. As this critical feasibility assessment continues, the remaining funds have been reprogrammed for other recovery programs that can be completed within the LBRA timeline and are aligned with the original intent including small business support and coordination, community engagement, and private sector business attraction. These funds will be reallocated to the following LBRA Programs:

- Visual Improvement Program (VIP): \$299,752
This Program provided VIP Grants to support local businesses impacted by crime and vandalism on or after October 1, 2022, with eligible businesses receiving up to \$1,500 to cover storefront repairs, boarding costs, insurance deductibles, and business operating expenses. The additional \$299,752 will provide a Rapid Response Liaison to immediately support local businesses who are affected by vandalism, assessing needs and connecting affected businesses with BizCare technical support services and other support programs. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.
- Customer Activation Program: \$200,000
The Customer Activation Program encourages residents to buy local and attract investment in local businesses experiencing the greatest economic impacts. The additional \$200,000 will be allocated to Beach Streets, the open streets event designed to showcase businesses and neighborhoods. For a single day, a major traffic corridor will be closed to cars and the street will

become open to people walking and bicycling, attracting local residents and visitors from across the region to explore and discover the area at a slower "foot-traffic" pace. In 2024, Uptown Beach Streets is planned to be held along the newly improved Artesia business corridor. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.

- **Early Childhood Education West Health Facility Renovation: \$232,000**
This Program reinstates the West Health Facility at Admiral Kidd Park as an Early Childhood Education (ECE) center, serving children for years to come. The West Health facility is located in an area of the highest need for early care and education and this project is designed to open up more spaces for families to seek affordable, high-quality care for their young children. The additional \$200,000 will assist with required fire sprinkler and life safety improvement requirements identified during the project design. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.
- **Sidewalk To Success Program: \$475,000**
Sidewalk to Success Program supporting small businesses in the first year of the City's recently [approved](#) Sidewalk Vending Ordinance to cover the first-year costs of required business license and health permit fees and insurance costs. The \$475,000 will provide up to 40 compliant food vending carts to sidewalk vendors who apply and meet eligibility and equity requirements to promote compliance with the the City Council-adopted Ordinance. This is part of Phase 2 of the Sidewalk to Success Program, which [was announced](#) on January 29, 2024 and is modeled after previous [Small Business and Nonprofit Relief Grants](#) and the [Business License Tax and Fee Program](#) (known as Fresh Start Long Beach) made possible by Long Beach Recovery Act funds. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.
- **Inclusive Business Navigator Program: \$356,886**
The Inclusive Business Navigator Program promotes economic recovery for small business owners across Long Beach. The additional \$356,886 will implement the Level Up LB: Extreme Small Business Makeover and Microgrant Program to assist 25 small business owners in expanding and driving their business to the next level. Through the Level Up LB Program, business owners will be provided technical assistance and resources to evaluate their business plan and financials, sales metrics and benchmarks, teams, and identify growth strategies to reach the next level of growth. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.

- **Climate Action Accelerator Program: \$434,907**
The federal Inflation Reduction Act (IRA), signed into law in 2021, is a historical investment to address the climate crisis with dedicated tax incentives and rebates for communities, community-based organizations, business owners, and homeowners. Long Beach is a target recipient of this climate funding, with a significant portion of the IRA funds dedicated to port cities and neighborhoods with oil wells, and 40 percent of the IRA funding is required to benefit disadvantaged communities that are marginalized, undeserved, and overburdened by pollution. The \$434,907 will provide an online resource hub platform of climate-related resources and will provide technical assistance and case management to assist residents, businesses, and non-profits in applying for climate-related grants, rebates, tax credits or other funding made available under the IRA and other available programs. The reallocation will continue the original intent and all funds will be committed by the conclusion of the Long Beach Recovery Program in December 31, 2024.

Next Steps

The City will proceed with implementation using the Council-approved goals and funding guidelines unless City staff receives further direction from the City Council, no later than the April 2, 2024, City Council meeting. The City's Recovery Act website will be updated to reflect the information included in this memo. As programs close and remaining funds are reallocated to other recovery programs, 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, Deputy City Manager, at (562) 570-6677 or Meredith.Reynolds@longbeach.gov.

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