

# CITY OF LOS ANGELES

CALIFORNIA

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GENERAL MANAGER



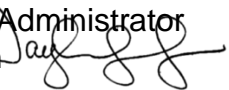
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1200 W. 7TH STREET  
LOS ANGELES, CA 90017

**DATE:** June 29, 2021

**TO:** All Economic Development Division Subrecipients

**FROM:** Daysi Hernandez, Chief Grants Administrator  
Economic Development Division 

**SUBJECT: DIRECTIVE NO. 21-02  
PROGRAM YEAR 2021-2022 NEW PROGRAM FORMS**

## EFFECTIVE DATE

This bulletin is effective as of July 1, 2021.

## PURPOSE

The purpose of this Directive is to provide agencies operating Los Angeles BusinessSource Centers and Business Incubators (Subrecipients) with new Program Forms to be used for all files in conjunction with utilization of Community Development Block Grants (CDBG) funds for Program Year 2021-22. This Directive and attachments set out the program requirements and identifies documents that must be utilized and maintained in client files in order for contract compliance to be maintained. Unless stated otherwise in this Directive, the documents may be stored either electronically and/or maintained in hard-copy form in a locked file cabinet.

All agencies operating Los Angeles BusinessSource Centers must upload all files and their supporting documentation into Salesforce.

### 1. Individual Business Service Agreement (Application)

This document is required to enroll clients into your program. There are two Applications and you should select the one matching your National Objective. Refer to §204 Identification of Project Eligibility/National Objectives of your Contract if you are unsure of your National Objective or reach out to our program monitor. The application must be accompanied with eligibility document(s). This form must document the number and types of jobs that exist prior to receiving services and the number of jobs to be created. The Application is valid for two years. If the client is continuing to receive services after two years or returns for additional services two years after signing the Application then a new Application needs to be completed. **HUD has allowed e-signatures for this document due to the pandemic, however, it is recommended to collect original “wet” signatures when possible. If the client does not want to sign in person due to health reasons, make sure to document it in the client notes.**

### 2. Business Needs Assessment

A business needs assessment must be completed and documented in the client's file prior to providing any services. Based on the answers provided, Subrecipient must create an action plan with their client to ensure all the client's business needs will be addressed.

### 3. Business Service Notes

Subrecipients must keep detailed case notes for every client enrolled in your program. Be sure to document how the services you provided lead to meeting your National Objective.

All agencies operating Los Angeles BusinessSource Centers must input the business service notes directly in to Salesforce. Please refer to the LABSC Business Services Notes Instructions for more information.

### 4. HUD Compliance

Use one of the following forms to document your National Objective. Refer to §204 Identification of Project Eligibility/National Objectives of your Contract. **HUD has allowed e-signatures for this document due to the pandemic, however, it is recommended to collect original "wet" signatures when possible. If the client does not want to sign in person due to health reasons, make sure to document it in the client notes.**

#### **Assisted Activity Job Creation Certification Form 2021**

Use this form if your National Objective is Low- and Moderate-Income (LMI) Jobs and you have assisted your client with creating a job. In order to meet this criteria, the job must be created with the direct assistance as evidenced in the Business Service Notes and supporting documents **AND** 51% of the jobs created must be available to or held by LMI persons. Jobs created can be part-time however, jobs are counted on a full time equivalent (FTE) basis.

**Starting July 1, 2021, in counting jobs, include any jobs created by the business, but exclude any positions held by the business owners and any other having a substantial equity (20%) in the business.**

#### **Assisted Activity Job Retention Certification Form 2021**

Use this form if your National Objective is LMI Jobs and you have assisted your client with retaining a job. In order to meet these criteria, 51% of the jobs retained must be available to or held by LMI persons **AND** there must be documentation that jobs would have been lost without your program services. Documentation required:

- Documentation of services provided through the Subrecipient which directly prevented the loss of jobs - **and-**
- Letter of explanation of current business environment with income not sufficient to meet payroll and current profit and loss statement(s) evidencing losses in business income -**or-**
- Bank statements evidencing decreasing balances and challenges meeting credit and payroll responsibilities -**or-**
- Business Tax Returns for previous two years evidencing a decreasing business income thereby creating challenges meeting credit and payroll responsibilities -**or-**

- A news or online article stating the business is about to close or move out of the city.

**Starting July 1, 2021, in counting jobs, include any jobs retained by the business, but exclude any positions held by the business owners and any other having a substantial equity in the business.**

### **CDBG Self-Certification Form for 2021**

Use this form if your National Objective is Low- and Moderate-Income Clientele. In order to meet this criteria, the Subrecipient must provide evidence that your program activities benefit the clients **AND** 51% of the clients must self-certify to be persons in LMI households. Note that using a self-certification approach to income documentation can put the program at possible risk if clients are later audited and determined to be over the applicable income limit.

### **5. Assisted Activity Job Information Report**

Use this form if your National Objective is LMI Jobs. This form documents the number and types of jobs that exist after receiving services and is used as back-up documentation for the Job Creation/Retention forms. The report must be signed by the client or their designee. In lieu of the Assisted Activity Job Information Report, payroll records may be collected. If the number of jobs on the Assisted Activity Job Information Report or payroll records do not tie to the number of job forms collected then the Subrecipient must remove the excess jobs. **HUD has allowed e-signatures for this document due to the pandemic, however, it is recommended to collect original “wet” signatures when possible. If the client does not want to sign in person due to health reasons, make sure to document it in the client notes.**

### **6. Business Referral Form**

This form is used for client referrals to any EWDD system based on your business needs assessment. A descriptive list of services provided by BusinessSource Centers, EWDD Partners, and WorkSource Centers is also provided.

Any document attached to this Directive shall not be altered without prior City approval.

### **EDD CONTACT**

Questions or concerns should be addressed to [labusinesssourceadmin@lacity.org](mailto:labusinesssourceadmin@lacity.org).

#### Attachments:

1. Individual Business Services Agreement 2021 - LMJ (English)
2. Individual Business Services Agreement 2021 - LMJ (Spanish)
3. Individual Business Services Agreement 2021 - LMA & LMC (English)
4. Individual Business Services Agreement 2021 - LMA & LMC (Spanish)
5. The Art of Writing Case Notes
6. LABSC Business Service Notes Instructions
7. Assisted Activity Job Creation Certification Form 2021
8. Assisted Activity Job Retention Certification Form 2021

9. CDBG Self-Certification Form for 2021
10. Assisted Activity Job Information Report
11. Assisted Activity Job Information Report - Sample Scenarios
12. Business Referral Form
13. List of Services Provided by EWDD Systems