

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: February 3, 2022

TO: Honorable Members of the Los Angeles City Council

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No: 21-0775-S1
Assignment No: 21-09-0662

27th Street Neighborhood Recovery Plan

SUMMARY

Motion (Price, Harris-Dawson - Ridley-Thomas), adopted by City Council on September 21, 2021, instructed the Chief Legislative Analyst (CLA), with assistance from the Emergency Management Department (EMD), the Los Angeles Housing Department (LAHD), the Community Investment for Families Department (CIFD), the Economic and Workforce Development Department (EWDD), the Los Angeles Bureau of Sanitation (LASAN), Bureau of Street Services (BSS), and any other relevant department, with input from local community based organizations, to report on a Recovery Plan for the 27th Street Neighborhood to aid in the recovery from the explosion that occurred on June 30, 2021. The Motion also instructed the CLA and the City Administrative Officer (CAO) to identify a minimum of \$5 million for the Recovery Plan, including funds from the Los Angeles Police Department (LAPD) budget, and report with recommendations to establish a fund to support the Recovery Plan.

On June 30, 2021, the LAPD seized a cache of illegal fireworks from a residence located on the 700th block of East 27th Street in Council District (CD) 9 and attempted a controlled detonation of the fireworks, resulting in a large explosion which injured 17 individuals, destroyed 37 vehicles, and damaged over 35 properties. Fire and Police personnel rendered medical aid in the immediate aftermath to both residents and City personnel who were injured. Sixteen people were transported to local hospitals, and additional residents suffered from Post-Traumatic Stress Disorder (PTSD) following the explosion.

In the days following the explosion, a temporary Response Center was opened at Trinity Recreation Center, and a resource site was opened at the 28th Street YMCA. Auditory exams, medical checkups, and other referrals were provided in partnership with St. John's Well Child & Family Center. A \$1 Million Emergency Relief Fund was established by the CD 9 Council Office to assist in expediting payments and repairs to the homes of the families who were impacted by the explosion. Several Council approved recovery efforts, including assistance with home repairs, emergency housing accommodations, and financial assistance have been provided on an ongoing basis since the explosion.

To date, the Council has authorized \$1,813,000 toward these services. Of this amount, \$1,113,000 has been allocated for the housing of individuals displaced by the explosion and \$700,000 for cleanup services, debris removal, assistance with interim living expenses associated

residential displacement, and necessary repairs to the residences. Funding sources for the authorized amount included \$1,163,000 from LAPD funds (CF 21-0775) and the remaining \$650,000 from CD 9 loaned funds (CF 21-0775-S2).

In response to the incident, the EMD established the “Long-Term Recovery Group” (LTRG), consisting of several City departments, the County, and community benefit organizations. The purpose of the LTRG is to coordinate long term recovery efforts for the 27th Street Neighborhood explosion. The LTRG is intended to assist the transition from response to recovery by coordinating responding agencies, setting objectives, monitoring process, recommending budget requests, and evaluating the need for additional action. As part of the LTRG, four “Recovery Support Functions” (RSFs) were identified and activated to provide a coordinating structure, facilitate problem solving, and improve access to resources. Each RSF is responsible for a key focus area of assistance. The four RSFs activated in response to the 27th Street Neighborhood explosion are as follows:

1. Community Planning and Capacity Building (RSF 1),
2. Economic (RSF 2),
3. Health and Social Services (RSF 3), and
4. Housing (RSF 4).

The LTRG and each RSF have and continue to meet on a weekly basis to coordinate recovery response efforts.

This Office recommends the 27th Street Neighborhood Recovery Plan attached to this report, which is intended to provide supplementary objectives in recognition of the City’s need to further assist those directly affected by the explosion, and the 27th Street Neighborhood as a whole. Accordingly, the Recovery Plan maintains the LTRG and RSF coordination in place, so they can continue to coordinate recovery and response efforts. In addition, preserving these coordinating structures will allow the response to remain consistent with EMD disaster recovery policies. Additionally, this Office concurs with the need for a Recovery Center for up to one year at a site within the 27th Street Neighborhood that has been identified by CD 9 and would be consistent with the City’s emergency response. Management and related services associated with the Recovery Center would be provided in collaboration with non-profit partners.

For the current fiscal year, the above requires \$3,837,000 in funding to cover repayment of the CD 9 loaned funds (\$650,000), continued housing of displaced individuals through June 30, 2022 (\$1,064,000), continued repairs on damaged properties (\$1,175,000), and the establishment and operation of a Recovery Center with related services (\$948,000). Any unspent funds from the current year should be reappropriated to the following fiscal year. Approval of the above amount plus the previously approved \$1,163,000 from LAPD funds would total \$5,000,000.

Since expenditures associated with the 27th Street Neighborhood Recovery Plan are one-time in nature, funding could come from the Reserve Fund, alternatively, the Fiscal Year 2021-22 Adopted Budget includes a \$23,894,790 line item entitled “Reserve for Extraordinary Liability.” This line item was increased by \$3,894,790 by Council when adopting the budget. Utilizing it to fund the Recovery Plan would be consistent with its intended purpose.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the transfer/appropriation of \$650,000 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the General City Purposes Fund No. 100-56, Account No. 000452 (CD 9 – Environmental Equity and Justice Fund) as repayment of the loan approved by Council on October 20, 2021 (CF 21-0775-S2);
2. Authorize the transfer/appropriation of \$1,064,000 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the Community Investment for Families Department (CIFD) Fund No. 100-21, Account No. 003040 (Contractual Services), to continue to house those individuals displaced by the blast that occurred on June 30, 2021 in the 27th Street Neighborhood, and further authorize CIFD to prepare, process, and execute the necessary documents with and/or payments to Omni 888 Olive St LP, or any other agency or organization, as appropriate, in this amount and for this purpose, subject to the approval of the City Attorney as to form;
3. Authorize the transfer/appropriation of \$1,808,444 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the General City Purposes Fund No. 100-56, New Account entitled, “CD9 – 27th Street Neighborhood Recovery Plan Fund,” for the establishment and operation of a 27th Street Neighborhood Recovery Center and providing of related services;
4. Authorize the City Clerk to prepare, process and execute the necessary documents and/or payments up to \$1,175,000 with/to the Coalition for Responsible Community Development (CRCDD), or any other agency or organization, as appropriate, subject to the approval of the City Attorney as to form, to continue necessary repairs to the residences damaged by the blast on or about June 30, 2021, to be funded by the new General City Purposes Fund No. 100-56, CD9 – 27th Street Neighborhood Recovery Plan Fund;
5. Instruct the General Services Department, with the assistance of City Attorney and Council District 9, to negotiate and execute a one-year lease agreement with the owners of the property located at 2525 Trinity Street, Los Angeles CA 90011, for space to be used as the 27th Street Neighborhood Recovery Center;
6. Authorize the transfer/appropriation of \$314,556 from the Unappropriated Balance Fund No. 100-58, Reserve for Extraordinary Liability Account No. 580232, to the Community Investment for Families Department (CIFD) Fund No. 100-21, Account No. 003040 (Contractual Services), to provide management and related services associated with the 27th Street Neighborhood Recovery Center, and further authorize CIFD to prepare, process, and execute the necessary documents with and/or payments to All People Community Center, or any other agency or organization, as appropriate, in this amount and for this purpose, subject to the approval of the City Attorney as to form; and,
7. Authorize the Chief Legislative Analyst to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

FISCAL IMPACT

The recommended current year transfers and appropriations in this report for the 27th Street Neighborhood Recovery Plan total \$3,837,000 and would reduce the Unappropriated Balance Reserve for Extraordinary Liability line item by a like amount.

BACKGROUND

This report provides a 27th Street Neighborhood Recovery Plan (Attachment) that is consistent with EMD's disaster recovery policies and proposes additional actions that may be taken to aid in a holistic recovery of the 27th Street Neighborhood.

Emergency Operations Plan Recovery Annex

The "Long-Term Recovery Group" (LTRG) was formed pursuant to the Emergency Operations Plan Recovery Annex (Annex), developed to provide an operation overview and organizational framework that can be implemented during all phases of the disaster recovery process. The Annex describes citywide response functions and assists departments in developing standard operating procedures for emergency response. The Annex denotes the roles and responsibilities of all City departments with recovery functions and further identifies actions to be taken and sustained to recover from the adverse impacts of a disaster.

The roles and responsibilities of each department are outlined through six "Recovery Support Functions" (RSF) as follows: Community Planning and Capacity Building (RSF 1); Economic (RSF 2); Health and Social Services (RSF 3); Housing (RSF 4); Infrastructure Systems (RSF 5); and, Natural and Cultural Resources (RSF 6). Although the Annex lists six RSFs, the LTRG for the 27th Street Neighborhood explosion activated RSFs 1 through 4. Based on the information provided, this Office concurs that there are no significant recovery needs related to infrastructure systems and natural and cultural resources.

Recovery Services Provided

On January 29, 2021, the City entered into a contract with the Coalition for Responsible Community Development (CRCD) to provide enhanced clean up services throughout CD 9 (C-137841). Following the June 30, 2021 incident, the contract was amended to increase the contract amount by \$700,000 for the purpose of providing cleanup services, debris removal, assistance with interim living expenses associated with residential displacement, and necessary repairs to the residences impacted by the explosion.

As previously mentioned, responding departments, as coordinated by the LTRG, and in collaboration with CD 9, have provided recovery services since the incident. Several events including holiday events, legal workshops, resource fairs, and other forms of outreach have been provided to the community in collaboration with CD 9. To date, several forms of housing assistance have been provided to those who were affected. As of January 2022, more than 25 families have received emergency hotel and housing accommodations. Repairs on several homes affected by the blast have been completed, with further repairs underway. Referrals to housing

assistance and case management services have also been provided to families needing assistance with housing accommodations.

In recognition of the impact that this incident may have had on the mental health of impacted residents, mental health services have also been provided in partnership with the County of Los Angeles and non-profit partners. Further, residents have received case management, check-ins, and connection to additional social and health services. For residents most severely impacted, financial assistance including grants and \$2,000 Angeleno cards have been provided.

The City is also accepting and processing claims to ensure that residents directly affected by the explosion are properly compensated for damages to their property, as well as any injuries they may have sustained. A total of 403 claims have been submitted in relation to the explosion. Of the total claims submitted, 79 have reached settlement with the claimant, 34 have been canceled as duplicates, 2 have been denied, and 1 has been closed by claimant request. Two-hundred and eighty-seven claims await responses and/or further information from claimants.

City departments which have provided recovery services in relation to the explosion incident have indicated the ability to absorb the cost of services within their operating budget and do not require further funds at this time to continue to provide services at the current level.

27th Street Neighborhood Recovery Plan

In response to the Motion (Price, Harris-Dawson – Ridley-Thomas), the attached 27th Street Neighborhood Recovery Plan has been prepared to aid in continuing recovery efforts for the 27th Street Neighborhood. As previously noted, recovery and response efforts have been and continue to be undertaken by the LTRG established by EMD. The Recovery Plan provided is intended to provide supplementary objectives in recognition of the City's need to further assist those directly affected by the explosion, and the 27th Street Neighborhood as a whole. Accordingly, the LTRG and RSF coordination structure should remain in place and continue to coordinate recovery and response efforts. In addition, preserving this coordinating structure would allow the response to remain consistent with EMD disaster recovery policies, including the Recovery Annex.

The disaster recovery objectives currently being implemented cover a wide scope of services and have sufficiently responded to meet the need for physical, social, and economic recovery services. Accordingly, the objectives provided by the Recovery Plan largely reiterate existing objectives established through EMD policy. The Recovery Plan seeks to expand on objectives in place and provide further consideration for the unique nature and character of the 27th Street Neighborhood, the disaster, and its effects. The Recovery Plan also provides a scope which allows for the flexibility to meet as of yet unidentified needs in the future.

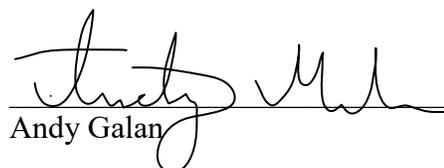
The objective of the Recovery Plan is to restore the community to its pre-disaster state, including physical repairs and mitigation of effects resulting from disaster, while building resiliency for potential future incidents. This includes investment in physical infrastructure and emergency preparedness and engagement of the community. The Recovery Plan was informed by existing disaster response efforts and discussions with the CD 9. The Recovery Plan also establishes a geographic scope for recovery efforts, as provided by the approved Motion. Therefore, it goes

beyond providing repairs and short-term housing/social services efforts for the immediate disaster area with an increased scope of other recovery efforts and programs within the defined 27th Street Neighborhood.

The Recovery Plan provides four “Focus” categories modeled after the currently established four RSFs as follows: 1) Community Planning and Capacity Building; 2) Economic Resilience; 3) Social and Health Services; and, 4) Housing. Each Focus further encompasses a set of actions identified to assist recovery and mitigate the effects of the 27th Street Neighborhood incident. These actions are consistent with the objectives of both the Recovery Plan, as well as existing EMD and LTRG recovery objectives. The actions provided serve to expand upon and highlight recovery priorities and do not represent an exhaustive listing of actions that have been, are being, or may be taken in the future to address the recovery of the community. As previously mentioned, for the response to the 27th Street Neighborhood incident, RSFs 1 through 4 were activated, and therefore, there is no existing coordinating structure dedicated to infrastructure and physical improvements. Although there was no extensive damage to local infrastructure, physical improvements have been included under Focus 2, Economic Resilience, of the Recovery Plan.

A need for providing targeted programming is emphasized in the Recovery Plan, whether it be targeted outreach for existing programs or new programs directly responding to the nature of the incident. This may include direct financial assistance or technical assistance to access resources for residents adversely impacted or economically disrupted by the explosion. Special consideration should also be given to the effects of the COVID-19 pandemic that may be exacerbated by the explosion. Efforts to addressing any technological divide in the community, recognizing the increased importance to internet access for employment and education, should be taken.

As previously noted, this Office recommends the preservation of the LTRG structure. This report would direct the LTRG to work with the appropriate governmental entities and non-profit organizations to provide the services requested by the Recovery Plan. Implementing departments and agencies would be responsible for establishing and tracking appropriate metrics and tracking costs incurred in relation to the 27th Street Neighborhood Recovery.


Andy Galan

27th Street Neighborhood Recovery Plan

Objective: Assist and promote the recovery of the 27th Street Neighborhood by addressing immediate, intermediate and long-term needs through four Focus areas included herein; ensuring through targeted programming that residents have the support available to achieve stability. Additionally, provide a Recovery Center for up to one year within the 27th Street Neighborhood to facilitate resident access to services provided under each Focus area.

Geographic Scope: The geographic area affected by the blast includes area bounded to the north by 24th Street, to the South by 30th Street, to the West by Trinity Street, and to the East by Griffith Avenue.

Timeline: Immediate recovery efforts for up to one year, and intermediate/long-term recovery efforts up to one year thereafter.

Recovery Priorities – The following priorities highlight immediate needs to restore the 27th Street Neighborhood to its pre-disaster state.

- Damages Repair
- Housing
- Mental Health Services
- Childcare Services
- Economic Resilience

Focus 1: Community Planning and Capacity Building

Objective

Ensure the local community participates, provides input to, and is equipped with the resources to strengthen capacity for the local recovery process. The City should prioritize engagement to provide a complete understanding of the effects of the explosion and identify any unmet needs.

Actions

Immediate

- Establish a Recovery Center that can provide informational resources, referrals, and services to local residents.
- Intake and process claims in a timely manner and provide referrals for legal and technical assistance.
- Partner with local non-profits to inform local residents of further services available to aid in recovery.

Intermediate

- Establish regular community meetings to receive input from and coordinate with local residents.

Long-term

- Perform targeted outreach for existing governmental programs with an emphasis on housing, small business, and economic and financial assistance.
- Promote civic awareness and engagement in order to expand access to services provided by the City and other governmental agencies.

Focus 2: Economic Resilience

Objective

Ensure the community's residents and businesses have access to resources necessary to recover from economic disruption and restore the community to economic sustainability and viability. The community's capacity and potential for further economic and workforce development should also be restored.

Actions

Immediate

- Provide repairs for commercial and non-residential buildings damaged by the explosion.
- Provide technical assistance to eligible residents and businesses applying to receive financial assistance and benefits, preventing further economic disruption.
- Evaluate any disruption or gaps in City services caused by the incident and ensure that those services are restored and sustained.

Intermediate

- Establish a community improvement and beautification program providing façade improvements, street repairs and improvement, tree maintenance and landscaping, traffic safety improvements, and lighting.
- Promote programs facilitating the development of the arts and local cultural resources.
- Work to preserve existing employment opportunities within the community and increase access to available job opportunities.

Long-term

- Promote awareness among community residents regarding financial assistance programs offered by the city and other governmental agencies including but not limited to the

Comeback Checks Program and Basic Income Guaranteed: Los Angeles Economic Assistance Pilot (BIG:LEAP) Program.

- Provide employment assistance services including job training, job search assistance services, and other resources to residents.
- Provide programs offering small business, financial literacy, and credit repair trainings and services.
- Conduct a review of street improvements to increase accessibility for persons with disabilities and seniors, and propose any needed improvements.
- Ensure that community improvement projects utilize the Targeted Local Hire Program to provide employment for local residents.

Focus 3: Health and Social Services

Objective

Provide all residents and stakeholders with a barrier-free, accessible, baseline of mental health and social services necessary to mitigate the long-term human effects of the incident.

Actions

Immediate

- Provide eligible residents with health services to address the physical health needs of residents, including specialized services for populations including persons with disabilities and women.
- Provide access to mental health services for residents affected by the incident.

Intermediate

- Provide services to mitigate disruptions to the education and development of the youth in the community, including tutoring and afterschool programs.
- Provide childcare services to families in the community.

Long-term

- Connect residents with access to higher education assistance programs, college admission and scholarship assistance programs, and financial aid.
- Provide programs to increase access to healthy food.
- Engage in targeted outreach regarding vaccinations and ensure that residents have access to vaccinations, including COVID-19, within the community.

Focus 4: Housing

Objective

Facilitate the repair, preservation, and improvement of the housing stock to prevent displacement and restore housing stability as soon as possible. Housing resources should be made readily available to empower residents to remain housed.

Actions

Immediate

- Provide short term housing options for those whose residences were affected by the incident and require temporary housing accommodations.
- Repair the physical damage caused by the incident to restore the residences to safety and habitability.

Intermediate

- Provide resources and information on available rental assistance and assess the need for financial assistance including rent subsidies, rent relief, and affordable housing opportunities.
- Provide resources and information regarding the City's housing assistance programs such as the Handyworker Program and homeownership opportunities.

Long-term

- Provide a plan to provide long-term housing to those whose housing was permanently affected by the explosion.
- Make best efforts to prevent the involuntary displacement of residents from their community.
- Identify and evaluate sites in the community for the potential construction of affordable housing.