

JOHN LEE
LOS ANGELES CITY COUNCILMEMBER • DISTRICT 12



**THE
CHANGE
REACTION**

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**COUNCILMEMBER LEE AND THE CHANGE REACTION ANNOUNCE EXPANSION OF INNOVATIVE
SMALL BUSINESS RELIEF PROGRAM, BRINGING HELP AND HOPE TO MORE LOS ANGELES
SMALL BUSINESSES**

NORTHRIDGE – Today, Councilmember John Lee and Greg Perlman, founder of The Change Reaction, announced the expansion of an innovative small business relief program into Watts, San Pedro, South L.A., and the west San Fernando Valley, to help more struggling businesses affected by the unprecedented economic disruption caused by the COVID-19 pandemic.

The primary focus of the Small Business Relief Fund is on sole proprietors and small businesses that have been unable to access government grants and loans. Eligible businesses should have normal revenues under \$1M and 15 or fewer employees. Repayment terms are flexible and 100% of all loan repayments will be redistributed to other small businesses, paying it forward to create a chain reaction of change, gratitude, and generosity. Since the program was launched in the Twelfth Council District in April 2020, it has provided a much needed lifeline to struggling small businesses to prevent them from shuttering.

“What makes this program unique is that it is much more than an interest-free loan,” said Councilmember John Lee. “Small businesses often don’t have the capacity or resources to navigate such tremendous challenges to business operations, and that’s where The Change Reaction comes in. They provide additional support and guidance, tailored to each business’ situation, to truly help them get back on their feet. Thanks to this program, 30 small businesses in the Twelfth District have received approximately \$400,000 in loans, enabling them to keep their doors open.”

“After having successfully launched our Small Business Relief Fund in partnership with Councilman John Lee in CD12, we wanted to expand the program to more businesses in our local community,” said Greg Perlman, founder of The Change Reaction. “What we’re trying to do here is provide a simple, streamlined process to help local small businesses in need. “The Change Reaction is a new philosophy in philanthropy that directly connects wealthy people in communities around the nation to the hard-working people and small businesses that

are facing financial hardships in their local community. My wife and I have decided to substantially increase our philanthropy during this crisis and personally take on the City of Los Angeles, because if not now, when? We are happy to partner with Councilmembers Blumenfield, Buscaino, and Price and the Jewish Free Loan Association to expand the program and help local businesses in Council Districts 3, 9, and 15 recover from this crisis and provide love, hope and relief for members of our communities.”

"Our local businesses have been hit hard by the pandemic’s economic effect, leaving many Angelenos not knowing how long their job or business will survive," said Councilmember Bob Blumenfield. "I am grateful to Greg and Jodi Perlman and The Change Reaction for generously funding much-needed, no-interest loans to enable West Valley businesses in CD3 and CD12 that might otherwise fall through the cracks to stay open, keep their people working, and begin moving down the road to recovery."

According to the Los Angeles County Economic Development Corporation, 93% of businesses in the county have less than 20 employees, and 87% have under nine employees. Many small businesses have been especially hard hit by COVID-19, and their ability to weather the COVID-19 storm will be critical to Los Angeles’ future economic recovery.

“This new partnership with The Change Reaction will allow us to continue to help our small business community stay afloat and keep their workers employed throughout this pandemic,” said Councilmember Joe Buscaino, whose district includes Watts, Wilmington, Harbor City, Harbor Gateway, and San Pedro.

“The coronavirus has caused major havoc to our city, nation and the world. Millions are unemployed with no savings to fall back on, our small businesses are on life support struggling to survive or expect financial challenges for years to come,” said Councilmember Price. “Our small local businesses need a lifeline and The Change Reaction provides just that - a glimmer of hope for workers to maintain their jobs and our business community to weather the economic hardship caused by the COVID-19 pandemic.”

To be eligible, businesses must be located in the Third, Ninth, Twelfth or Fifteenth Council Districts, submit proof of 12 months of timely paid rent through March 2020, and have submitted an Economic Injury Disaster Loan Application to the U.S. Small Business Administration.

To learn more and apply online, businesses can contact:

- Council District 3 – Jake Flynn (jake.flynn@lacity.org)
- Council District 9 – Angelina Valencia, (angelina.valencia@lacity.org)
- Council District 12 – Ron Rubine (ron.rubine@lacity.org)
- Council District 15 – Aksel Palacios (aksel.palacios@lacity.org)

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