

TRANSMITTAL

To:

THE COUNCIL

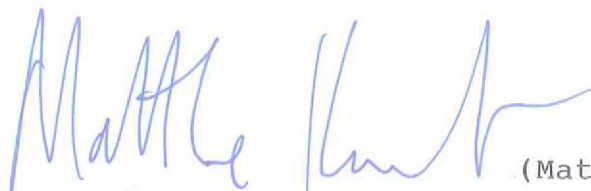
Date:

APR 18 2012

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.



(Matt Karatz)

ANTONIO R. VILLARAIGOSA
Mayor



COMPLIANCE DIVISION

Los Angeles Housing Department

LAHD

1200 West 7th Street, 8th Floor, Los Angeles, CA 90017

tel 866.557.7368 | fax 213.808.8818

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Antonio R. Villaraigosa, Mayor

Rushmore D. Cervantes, Interim General Manager

April 12, 2012

Council File: 11-1783

Council Districts: Citywide

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The Honorable Antonio R. Villaraigosa
Mayor, City of Los Angeles
200 N. Spring Street, Room 303
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

TRANSMITTAL: REQUEST TO APPROVE CONTRACTORS SELECTED THROUGH THE REQUEST FOR PROPOSALS (RFP) FOR TENANT OUTREACH AND EDUCATIONAL SERVICES FOR THE CITY'S RENT ESCROW ACCOUNT PROGRAM (REAP) AND UTILITY MAINTENANCE PROGRAM (UMP); REQUEST TO EXECUTE A SECOND AMENDMENT TO THE LANDLORD OUTREACH CONTRACT AND RELATED ACTIONS

Summary

The Los Angeles Housing Department (LAHD) administers the Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP). On December 14, 2011, the Mayor and the City Council approved LAHD's request to release a Request for Proposals (RFP) for Tenant Outreach Contractors (C.F. 11-1783). LAHD has concluded the selection process and hereby submits recommendations for the contractors listed below to provide citywide services. All REAP/UMP Tenant Outreach contracts will be effective for a period of one year, to commence on July 1, 2012 and end on June 30, 2013, plus options for two additional one year renewals. Extension of contracts will be subject to contractor performance reviews, funding availability and Departmental needs. The LAHD General Manager respectfully requests that the Mayor and the City Council approve LAHD's recommended contractors selected through the REAP/UMP Tenant Outreach RFP process; and, requests the authority to negotiate and execute REAP/UMP Tenant Outreach contracts with the following selected contractors:

Contractor	Amount
Los Angeles Center for Law and Justice	\$105,000
Inner City Law Center	105,000
Coalition for Economic Survival	105,000
Inquilinos Unidos	105,000
Total	\$420,000

In addition, based on a review of operational needs and contractor performance, LAHD also seeks authority to execute a Second Amendment to the contract with the existing REAP/UMP Landlord Outreach Contractor, The Eberly Company, by augmenting the funding for the period of January 1, 2011 through December 31, 2012, by \$8,750, from \$175,000 to \$183,750. In addition, LAHD requests approval to increase the Contract’s total compensation to \$341,250 from \$262,500, and to have an option to extend the terms of the Contract by an additional six months period to align it with the tenant outreach contracts’ fiscal year cycle. The additional funds will be used by the Landlord Outreach Contractor to expand the availability of existing services. The table below provides a summary of the contract history and this request. Additional details are provided in the Background section of this transmittal.

Landlord Outreach Contract: The Eberly Company	Months	Original Contract	1st Amendment	Proposed 2nd Amendment	1-Year Renewal Option	Additional 6-Month Option	Revised Total
1/1/2011-12/31/2011	12	\$87,500	\$0	\$0	\$0	\$0	\$87,500
1/1/2012-12/31/2012	12	0	87,500	8,750	0	0	96,250
1/1/2013-12/31/2013	12	0	0	0	105,000	0	105,000
1/1/2014-6/30/2014	6	0	0	0	0	52,500	52,500
Totals	42	\$87,500	\$87,500	\$8,750	\$105,000	\$52,500	\$341,250

The REAP and UMP are LAHD enforcement tools meant to encourage landlords to maintain their rental properties in a habitable condition and to bring properties that have been found to have unresolved health and safety Housing Code violations into compliance. For affected units in properties referred to these programs, tenants have the option to submit their rent payments directly to an escrow account administered by the City instead of making their rent payments to the landlords. The payments will remain in the escrow account until all property violations are remedied, and funds can be withdrawn from the escrow account for various reasons authorized by the Ordinance, including making eligible repairs or paying unpaid utility bills. The REAP outreach program was initiated in 1993 and expanded in 1999 to include UMP to educate eligible tenants about these programs with the assumption that tenants would be more willing to participate if they understood the purpose and benefits of the programs. Increased tenant participation in REAP/UMP is intended to motivate landlords to immediately address any habitability violations, and maintain their properties. The City is able to recover the cost of administering and supporting the programs through an administrative fee charged for each affected unit. Approval of the RFP results and the authority to execute contracts with the recommended tenant outreach contractors will enable LAHD to continue tenant-focused outreach services in order to educate tenants regarding their rights and responsibilities under REAP/UMP and thereby increase the likelihood

of their voluntary participation in the programs. Once requested, the Tenant Outreach Contractors also will provide an advisory opinion regarding the completion of repairs to the landlords/property owners and LAHD. Additionally, the Tenant Outreach Contractors will work collaboratively with the Landlord Outreach contractor to resolve any landlord/tenant conflicts in REAP properties under their service and meet regularly with prominent landlord organizations and facilitate in resolving landlord-tenant conflicts. Continued UMP outreach will aid the City in reducing tenant constructive evictions due to non-payment of utilities and also increase collection of delinquent Los Angeles Department of Water and Power bills.

Copies of this transmittal, along with the draft contracts, were forwarded to the City Attorney for concurrent review and approval as to form.

Recommendations

The General Manager of the Los Angeles Housing Department (LAHD) respectfully requests that:

- I. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to City Council for review and approval immediately thereafter;
- II. The City Council, subject to the approval of the Mayor, take the following actions:
 - A. Approve the results of the Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP) Tenant Outreach Request for Proposals.
 - B. Authorize the General Manager, Los Angeles Housing Department (LAHD), or designee, to execute contracts with the agencies listed in the Attachment 1 to provide REAP and UMP tenant outreach services, for a term of 12 months, effective July 1, 2012 through June 30, 2013, with two one-year renewal options, for a total amount of \$420,000, in substantial conformance with the draft Professional Services Agreement (PSA) included in this Transmittal as Attachment 3 and subject to the following: a) funding availability; b) satisfactory contractor performance; c) Departmental need; d) compliance with all applicable Federal, State and City regulatory requirements; e) approval of the City Attorney as to form; and, f) approval of the Department of Public Works, Bureau of Contract Administration as to adherence with City contracting standards;
 - C. Relative to the Landlord Outreach Contract, Contract No. C-118559, with Charles & Cynthia Eberly Inc., DBA The Eberly Company to provide REAP and UMP landlord outreach services:
 1. Approve the increase in funding to \$341,250, \$105,000 annually, as total possible compensation to the Landlord Outreach Contract and add an additional six-month-renewal option, for a total possible contract term of 42 months, to align this contract with the REAP/UMP tenant outreach contracts;
 2. Authorize LAHD to execute a Second Amendment to the contract by adding \$8,750 to the current term, augmenting the contract award from \$175,000 to \$183,750, in substantial

conformance with the draft PSA included in this Transmittal as Attachment 4, subject to the following: a) funding availability; b) satisfactory contractor performance; c) Departmental need; d) compliance with all applicable Federal, State and City regulatory requirements; e) approval of the City Attorney as to form; and, f) approval of the Department of Public Works, Bureau of Contract Administration as to adherence with City contracting standards;

- D. Authorize the General Manager, LAHD, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Council and Mayor actions on this report, subject to the approval of the City Administrative Officer and authorize the Controller to implement these instructions.

Background

The purpose of the REAP and UMP tenant outreach services is to educate tenants regarding their rights and responsibilities and to increase voluntary participation by tenants residing in units affected by REAP and/or UMP. Residential units that have been accepted to REAP qualify for pertinent rent reductions and the tenants have an option to submit their rents to the landlords or deposit them instead into City-administered escrow accounts. Likewise, tenants participating in UMP may deposit their full rents into City escrow accounts for properties on the list of utility shut-offs due to non-payment on the part of the landlord. Prior to removal of a property from either REAP or UMP, the Tenant Outreach Contractors conduct a site visit to provide an advisory opinion to the landlord as to whether the cited habitability problems were corrected before a Housing Inspector makes the final inspection.

As the result of the previous procurement process, six contractors were selected to operate the outreach for REAP/UMP at a total annual cost of \$525,000. Five Tenant Outreach Contractors to provide outreach services primarily to the tenants and one Landlord Outreach Contractor to provide customized outreach services to landlords/property owners. The Tenant Outreach contractors also provide services to landlords by assisting them to gain access to affected units, if needed, and also providing input and advice on the completion of the necessary repairs. The Tenant Outreach contracts will expire on June 30, 2012 with no further renewal options. Due to the current tight housing market, tenants who are displaced have difficulties finding affordable replacement housing. This is particularly traumatic for seniors, disabled persons, and other households on limited incomes. The Department's use of contractors to perform tenant outreach services has given LAHD the flexibility to meet the needs of both landlords and tenants, while keeping costs down through efficient use of available staff and resources. Outreach to both tenants and landlords has been an essential component of the REAP and UMP, and the Tenant Outreach contractors and the Landlord Outreach contractor have been instrumental in success of these programs. In calendar year 2010, REAP/UMP Unit work resulted in closing 937 REAP cases while accepting 806 cases into the program (closed 16% more cases). In 2011 calendar year 859 cases were closed, while accepting 619 cases into REAP (closed 39% more). As a result, thousands of rental units are brought to compliance and health and safety and habitable standards.

The Department expects to execute the four new Tenant Outreach contracts to commence on or about July 1, 2012 for a one-year period with an option to extend for two additional periods for up to one year each, for a total not to exceed three years, subject to contractor performance, availability of funding and approval by the Mayor and City Council.

Approval of this request required a Charter Section 1022 determination. In October 2011, the City Administrative Officer determined that the work could be performed more feasibly by contractors than by City employees. While the Personnel Department identified eight City classifications with varying levels of expertise to perform some of the tasks outlined in the Scope of Services, seven Departments with these classifications were surveyed, and did not have available staffing to perform the work.

RFP Process

The LAHD released the RFP on January 3 2012. The RFP was posted on the L.A. Business Assistance Virtual Network (LABAVN), LAHD and City websites and was advertised in the L.A. Times. In addition, LAHD notified the current REAP and UMP contractors as well as Council Offices and other agencies on the mailing list. In order to be eligible, proposers were required to be in good standing with regulatory oversight agencies and have at least three years experience performing outreach and education services for low and moderate income tenants in the area of landlord/tenant law, among other requirements. A total of eight proposals were received by the submission deadline of January 31, 2012.

The RFP review panel (Evaluation Team) consisted of five LAHD staff members holding classifications that ranged from Senior Management Analyst, Senior Housing Inspector, Rehabilitation Project Coordinator, Housing Planning/Economic Analyst. The range of staff expertise included policy and program analysis, technical knowledge of local Housing Code standards and regulations as well as fiscal analysis. Each proposal was reviewed by the Evaluation Team, with the final score reflecting the average of all five Evaluation Team member’s scores. Proposals were evaluated for content, responsiveness, clarity, relevance, quality and quantity of proposed services, experience, cost, and adherence to the instructions in the RFP in the following areas:

Area	Description	Possible Points
1	Demonstrated a commitment to the operation and jurisdiction of the pertinent enforcement agencies.	10
2	Demonstrated a commitment to the REAP, UMP, Urgent Repair Program and the tenant outreach program goals and objectives.	10
3	Quality and creativity of outreach program concepts and strategy.	30
4	Demonstrated ability to produce quality deliverables on-time and on-budget as evidenced by past performance, including experience and qualifications of project manager, key personnel, and subcontractors.	30
5	Proposed budget, allocation of costs, and use of available resources to maximize the effectiveness of the property owner outreach and education program.	20
	Total Points	100

The RFP provided for the option to conduct interviews. The Evaluation Team reviewed and scored each complete and fully responsive proposal submitted, in accordance with the criteria set forth in the RFP. The four proposals selected by LAHD were chosen based on their professional experience and perceived ability to put an effective tenant outreach program into operation at the beginning of the contract term.

Final scores were based on the outcome of this review. LAHD's ratings of the REAP/UMP Tenant Outreach RFP are presented in Attachment 2 in this transmittal. All proposals were evaluated and scored by LAHD staff using the criteria above. The final average score for each applicant is listed in Attachment 2.

All eight proposers were notified of the final results of the RFP evaluation process and the four proposers that were evaluated and not selected were offered the opportunity to appeal the review process used by LAHD for procedural reasons. One proposer, Housing Equality Foundation of Los Angeles, submitted an appeal. An Appeals Panel, consisting of two Senior LAHD representatives holding classifications of Director of Housing and Senior Housing Planning/Economic Analyst, evaluated the appeal on March 21, 2012 and concluded that a reversal of the reviewers' determination was not warranted.

Scope of Services

The primary purpose of the REAP/UMP Tenant Outreach Program is to provide education and outreach for the Los Angeles Housing Department's REAP and UMP to tenants who are eligible to participate. The Contractor must work collaboratively with other REAP and UMP Outreach Program Contractors and the LAHD, to develop methods to promote voluntary tenant participation in the REAP and UMP. Additionally, it is the goal of this outreach program to obtain maximum tenant participation in the REAP and UMP, in an effort to reduce substandard housing in the City of Los Angeles. The Scope of Services is detailed in Pages 3 through 7 of the draft Agreement attached to this Transmittal. The Contractors will be expected to provide Citywide REAP and UMP tenant outreach services. In addition, the contractors will be responsible for providing LAHD and the property owners with their advisory opinion regarding completion of the work. Tenant outreach contractors will assist the landlords and property owners in conflict resolution with tenants and expedite closing of the REAP case by facilitating access to the units for repair work to be done when tenant/landlord conflicts cause difficulties accessing the unit. As part of the new RFP, the tenant outreach contractors will be required to periodically meet with the prominent landlord organizations to discuss tenant/landlord issues, and strive to reach a thorough understanding of the issues in order to reach a resolution. The benchmark goal for tenant participation in REAP/UMP shall be set at an average of a 50% participation rate.

Cases will be assigned to the Contractor by LAHD once a property is confirmed to be placed in REAP. Before case closure, the Contractor will prepare a closeout report for each case that exits the REAP program. The report must outline the outreach efforts undertaken at that property and the progress from assignment to case closure. The form, format, and content of this report will be determined by LAHD and conveyed to the Contractor. The Contractor may be required to perform data entry in any existing/requested LAHD information system. The Contractor's assessments shall be strictly advisory to LAHD who shall substantively and independently review all contractor assessments. Although ultimate case closure is the determination of the LAHD, the Contractor shall be available to assist the LAHD in gaining access to the dwelling units assigned to the Contractor for assessing violations.

Funding Levels for Tenant Outreach Contracts

The proposed annual funding level is \$105,000 per Outreach Contractor. Each contractor will be compensated at a rate of up to \$8,750 per month based on the services that are provided that month. As proposed, funding levels would be restored to the contractor levels of 2010-11 prior to the addition of the Landlord Outreach Contractor, The Eberly Company. The addition of a Landlord Outreach Contractor had reduced the individual contractor funding levels to \$87,500 each, or \$7,292 monthly. LAHD evaluated the departmental need and the contractor performance and determined that four Tenant Outreach Contractors, as opposed to five, would more efficiently meet the demands of the program by reducing per agency administrative costs and shifting more funds to direct service delivery. The Department has benefited from its partnerships with community based organizations in the delivery of outreach services for two reasons. First, the work requires specialized knowledge and expertise in the areas of affordable and rent-stabilized housing for the provision of time-sensitive services. Also, the costs of contracting for services are significantly lower than hiring City staff to perform the work or hiring an additional Outreach Contractor that will entail additional administrative costs.

Landlord Outreach Contract – Second Amendment

The work of the Landlord Outreach Contractor, competitively selected in January 2011 (C.F. 09-0404-S2), was well-received by those property owners in REAP who are interested in achieving compliance but are in need of the specialized technical support that The Eberly Company is able to provide them. Each new REAP case is assigned to one Tenant Outreach Contractor and it is also assigned to The Eberly Company so that they may directly assist the landlord and the tenants in resolving any REAP or UMP related issues. During 2011, 619 new cases were referred to The Eberly Company and they were instrumental in closing 859 new and existing cases, representing more than 2,949 units. Expanded outreach contact efforts would better inform and educate landlords about the programs and increase their participation in addressing violations.

At this time, LAHD seeks to bring the Landlord Outreach contract in line with the proposed Tenant Outreach contracts by providing \$105,000 annually and extending the total term of the contract by six months, to end on a fiscal year cycle. To accomplish this, LAHD requests authority to execute a Second Amendment to the contract with The Eberly Company to add \$8,750 to the current term, augmenting the contract award from \$175,000 to \$183,750. Approval of an additional six-month renewal option will extend the total contract term to 42 months. The initial contract with The Eberly Company was executed for \$87,500 for the performance period of January 1, 2011 through December 31, 2011, and includes two one-year renewal options, through December 31, 2013. As approved, the total possible compensation is for up to \$262,500 for 36 months. A First Amendment was executed in December 2011 to increase the funding by \$87,500, increasing the total contract to \$175,000 and extending the performance term by 12 months, to end on December 31, 2012. This proposal extends the performance period to 42 months, to end on June 30, 2014, for a total possible compensation of \$341,250. The additional funds are expected to reduce the turnaround time necessary to provide technical assistance to property owners. The Eberly Company will also be able to increase availability and expand existing Citywide outreach efforts. Subsequent contract amendments to this contract will be sought in conformance with the Mayor's Executive Directive 3 process, subject to contractor performance, Departmental need and funding availability.

The recommendations contained in this transmittal maintain the REAP/UMP Outreach program's annual funding level of \$525,000.

Fiscal Impact Statement

There is no impact to the General Fund. The recommendations of this report are in compliance with City Financial Policies wherein the cost of the tenant and landlord outreach services agreements for the Rent Escrow Account Program and Utility Maintenance Program are funded by REAP Administrative Fees for a total additional funding of \$428,750, which is comprised of 5% Rent Stabilization Trust Funds (\$21,473), and 95% Code Enforcement Trust Funds (\$407,313), appropriated in the FY 2012-13 Adopted Budget. Future contract renewals will be subject to satisfactory contract performance and availability of sufficient funding through future City budgets, upon proper written demand by the General Manager of LAHD, or designee.

Attachments:

Attachment 1: Final Scores and Award Recommendations Table 1: Recommended Contractors – Citywide Services

Attachment 2: Final Scores and Award Recommendations Table 2: Final Scores

Attachment 3: Draft Professional Services Agreement - Tenant Outreach Services

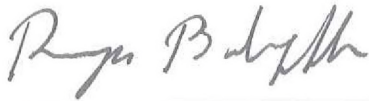
Attachment 4: Draft Professional Services Agreement – Landlord Outreach Services, 2nd Amendment

Prepared by:



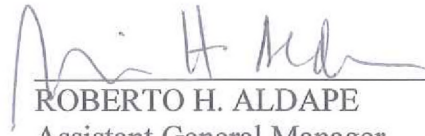
ANGELICA H. SAMAYOA
Senior Management Analyst II
Compliance Division

Reviewed by:



ROYA BABAZADEH
Director of Enforcement Operations
Compliance Division

Reviewed by:



ROBERTO H. ALDAPE
Assistant General Manager
Los Angeles Housing Department

Approved by:



RUSHMORE D. CERVANTES
Interim General Manager
Los Angeles Housing Department

Los Angeles Housing Department (LAHD)
 Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP)
 Tenant Outreach Services Request for Proposals

Final Scores and Award Recommendations

Table 1: Recommended Contractors – Citywide Services

Term of Performance: July 1, 2012 through June 30, 2013, plus two one-year renewal options subject to funding availability, satisfactory contractor performance and Departmental need.

Agency	Address	City	Zip Code	Amount
Los Angeles Center for Law and Justice	1241 South Soto Street, Suite 102	Los Angeles	90023	\$105,000
Inner City Law Center	1309 East Seventh Street	Los Angeles	90021	105,000
Coalition for Economic Survival	514 Shatto Place, Suite 270	Los Angeles	90020	105,000
Inquilinos Unidos	1930 Wilshire Boulevard, Suite 801	Los Angeles	90057	105,000
Total				<u>\$420,000</u>

Los Angeles Housing Department (LAHD)
 Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP)
 Tenant Outreach Services Request for Proposals

Final Scores and Award Recommendations

Table 2: Final Scores

	AGENCY	SCORE
1	Los Angeles Center for Law and Justice	89.00
2	Inner City Law Center	85.60
3	Coalition for Economic Survival	84.00
4	Inquilinos Unidos	78.40
5	Housing Rights Center	76.20
6	FAME Assistance Corporation	59.20
7	1st Choice Counseling and Education	40.00
8	Housing Equality Foundation of Los Angeles	39.40

PROFESSIONAL SERVICES AGREEMENT

Contractor: (CONTRACTOR NAME)

Title: RENT ESCROW ACCOUNT PROGRAM (REAP) AND UTILITY
MAINTENANCE PROGRAM (UMP) TENANT OUTREACH SERVICES

Said Agreement is Number C- of City Contracts

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EXHIBITS

- Exhibit 1 Insurance Contractual Requirements
- Exhibit 2 Notice of Prohibition Against Retaliation

AGREEMENT NUMBER _____ OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
(CONTRACTOR NAME)

THIS AGREEMENT is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter called the City, and (Contractor Name), a California corporation, hereinafter called the Contractor.

W I T N E S S E T H

WHEREAS, the Los Angeles Housing Department, hereinafter called the LAHD, has been designated by the City to provide for proper planning, coordination, direction and management of the City's various housing activities; and

WHEREAS, the LAHD cooperates with private organizations, other agencies of the City and agencies of other governmental jurisdictions in carrying out certain functions and programs, hereinafter called the Program which are its responsibility; and

WHEREAS, the Contactor is a non-profit organization possessing special expertise related to outreach to tenants residing in the rental units subject to the LAHD's Rent Escrow Account Program and Utility Maintenance Program; and

WHEREAS, the project which is the subject of this agreement, hereinafter called the Agreement, has been established by the City as one of the above described programs, and will be funded by the Rent Stabilization and Code Enforcement Trust Funds which have been approved by the Los Angeles City Council and the Mayor; and

WHEREAS, the services to be provided herein are of a professional, expert, temporary, and occasional nature; and

WHEREAS, pursuant to Los Angeles City Charter Section 1022, the City Council or designee has determined that the work can be performed more economically or feasibly by independent contractors than by City employees; and

WHEREAS, the City and the Contractor are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number xx-xxxx dated (Date)), which authorizes the General Manager of the Los Angeles Housing Department to prepare and execute the Agreement.

NOW, THEREFORE, the City and the Contractor agree as follows:

I.
INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Main Street, Los Angeles, California 90012.
- B. The Contractor, known as (Contractor Name), a California Corporation, having its principal office at (Contractor Address).

§102. Representatives of the Parties and Service of Notices

- A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the City shall be, unless otherwise stated in the Agreement:

Douglas Guthrie, General Manager
Los Angeles Housing Department
1200 W. 7th Street, 9th Floor
Los Angeles, CA 90017

With copies to:

Roya Babazadeh, Director
Compliance Division
Los Angeles Housing Department
1200 W. 7th Street, 8th Floor
Los Angeles, CA 90017

- 2. The representative of the Contractor shall be:

(Name), (Title)
(Contractor Name)
(Address)
Los Angeles, CA 90020

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) working days of said change.

§103. Conditions Precedent to Execution of This Agreement

Contractor shall provide copies of the following documents to the City:

- A. Proof of insurance as required by the City in accordance with §419 of this Agreement and attached hereto as Exhibit 1 and made a part hereof.
- B. A Notice of Prohibition Against Retaliation in accordance with §427 of this Agreement and attached hereto as Exhibit 2 and made a part hereof.
- C. A Certification of Compliance With Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance in accordance with §431 of this Agreement and the Slavery Disclosure Ordinance in accordance with §432 of this Agreement.

II.

TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on July 1, 2012 and end June 30, 2013 and any additional period of time as is required to complete any necessary close-out activities. Said term is subject to the provisions herein, and the City reserves the right to renegotiate the terms and services to be provided based on available funding and City needs. Performance shall not commence until the Contractor has obtained the City's approval of the insurance required in §419 herein.

§202. Services to be Provided by the Contractor

The Contractor shall provide contractual services identified in this section. There is no guarantee that the City will request any minimum or maximum amount of services during the term of this Agreement. All work is subject to prior City approval. Failure to receive approval may result in withholding compensation pursuant to §301.

The primary purposes of this Agreement are to provide education and outreach for the Los Angeles Housing Department's Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP) to tenants who are eligible to participate in the REAP and UMP. The Contractor must work collaboratively with other REAP and UMP Outreach Program Contractors and the LAHD, to develop methods to promote voluntary tenant participation in the REAP and UMP. Additionally, it is the goal of this outreach program to obtain maximum tenant participation in the REAP and UMP, in an effort to reduce substandard housing in the City of Los Angeles.

To achieve this goal, the following services are to be provided by the Contractor:

- A. Outreach Methodology. Annually, provide a LAHD-approved work plan outlining the outreach methodology including staff and detail that shall successfully inform and educate tenants about the REAP and UMP, as well as create the utmost tenant participation in REAP and UMP. This work plan should include a basic strategy of how the outreach services shall be provided. The work plan shall include detailed methodology of the Outreach Program including, but is not limited to the following: holding on-site meetings with tenants; disseminating information via telephone calls, U.S. postal mailings, and e-mail; developing seminars and group training sessions for outreach programs; and, developing benchmarks for tenant participation. The benchmark goal for tenant participation in REAP/UMP shall be set at an average of 50%. The Contractor shall use a formula prescribed by LAHD to calculate tenant participation rate. The Contractor shall also be responsible for conducting a minimum of three site visits, per property placed in REAP, during the duration of cases. The Contractor shall make evening and weekend schedules available for provision of services under this Agreement.
- B. Client Services. Provide counseling and technical assistance with matters directly related to REAP and UMP, including but not limited to: assistance in calculating applicable rent reductions; completing payment coupons; providing clarification of Department correspondence; explaining provisions of REAP and UMP ordinances and regulations to eligible tenants; and, assist in resolving tenant-landlord conflict resolution.
- C. Multilingual Services. Provide translators and bilingual educational materials in English and the dominant language(s) identified by the Contractors for all site visits and/or meetings at any individual building.
- D. Staff Communication. The Contractor must maintain close contact with REAP and UMP Section case analysts, LAHD inspectors, and senior staff for information and updates on building and tenant-related matters, including, but not limited to: owner progress toward the correction of habitability deficiencies; unlawful detainers; and, allegations of harassment.
- E. Collaborative Relationships. The Contractor must work collaboratively with the Landlord Outreach Contractor to reach conflict resolutions which result in expedited compliance and removal of the properties from REAP.
- F. Referral Services. The Contractor must refer matters not associated with this program to appropriate entities such as the Department of Consumer Affairs, an appropriate legal aid organization, and various citing agencies, including the LAHD, the Department of Building and Safety, the Los Angeles City Fire Department, and the Los Angeles County Department of Health Services.

- G. Assignment and Closure of Cases. Cases will be assigned to the Contractor when the LAHD determines that the property or dwelling unit is accepted into the REAP or UMP. The Contractor will provide outreach and educational services to the tenants who reside within the subject property and whose units are included in the referral.

Before case closure, LAHD will request the Contractor to prepare a closeout report for each case that exits the REAP program. The report must outline the outreach efforts undertaken at that property and the progress from assignment to case closure. The form, format, and content of this report will be determined by LAHD and conveyed to the Contractor. The Contractor may be required to perform data entry in any existing/requested LAHD information system. The Contractor's assessments shall be strictly advisory to LAHD who shall substantively and independently review all contractor assessments. Although ultimate case closure is the determination of the LAHD, the Contractor shall be available to assist the LAHD in gaining access to the dwelling units assigned to the Contractor for assessing violations.

- H. Response Time Stipulations. The Contractor shall give priority and respond immediately to urgent matters such as discontinuation of utility services due to foreclosure. The Contractor shall respond to inquiries received via e-mail or telephone from tenants within two working days of receipt of the inquiry. The Contractor shall conduct final site visits requested from owners within five (5) working days of receipt of the requests.

In the case of UMP, when payment arrangements have been established between the property owner and the Department of Water and Power (DWP), the REAP and/or UMP case will be closed upon notification by DWP. The LAHD will then notify the Contractor to cease outreach and education activity due to the closure of the case.

Should additional or unresolved issues or deficiencies be discovered by or brought to the Contractor's attention by the tenants, the matter(s) in question will be referred by the Contractor to the LAHD for review and appropriate action within five (5) days from the date of identification of the issues or deficiencies.

- I. Printed Materials. Develop and print clear, accessible, and user-friendly materials in English and the dominant language(s) identified by the Contractors to inform eligible tenants about the REAP and UMP. In addition, the Contractor shall develop printed materials for outreach site meetings. All printed materials must be reviewed and approved by the LAHD prior to use.
- J. Legal Service Referrals. If, in the course of providing services under this Contract, legal service providers selected as Contractors are asked by tenants, owners, property managers, or other members of the public to provide eviction defense or other legal services, they must furnish the person with a City-approved list of alternative sources of those legal services, including the Contract agency, so that the persons requesting legal assistance can make an informed choice.

Contractor and subcontractor shall not solicit or accept representation of tenants in a case the Contractor is currently handling for LAHD under this contract. Contractor may request approval from LAHD to be relieved of their LAHD duties in relation to a particular LAHD case to avoid potential conflicts of interest or bias issues in relation to that case as further discussed in Section 422.

- K. Property Owner/Contractor Communication. In the course of providing outreach and educational services, when required, the Contractor shall maintain the lines of communication between the property owner, tenants, and the Landlord Outreach Contractor to ensure information clarity, and provide intermediary resolution assistance in an effort to reach a solution to the habitability issues listed on the referring agency's (refer to L.A.M.C. Section 162.02 – Enforcement Agency) referral to the LAHD.
- L. Reports. The Contractor shall be required to provide information and prepare reports documenting the progress with each case. Additionally, the Contractor may be requested to prepare ad hoc reports relevant to the services rendered and/or to be rendered in furtherance of the terms of this Contract. The form, format, and content of the information and reports will be determined by LAHD and communicated to the Contractor. The Contractor should allocate resources in anticipation of the need for reporting.
- M. Meetings. The Contractor shall be required to attend regular meetings with the LAHD staff and management to communicate topics including, but not limited to the following: Program progress; Program issues; and, impact of the Program activities. These meetings will be scheduled by the LAHD. If LAHD deem necessary, the Contractor shall be required to attend meetings with other City entities, landlord organizations, or community meetings in relation to the work of the Program.

§203. Deliverables

The Contractor shall provide the following:

- A. Contractor shall take all reasonable and necessary steps to reach and maintain 50% tenant participation goal and ensure timely closure of the REAP/UMP cases.

The above-stated tenant participation rate and number of cases brought to closure will be used to measure the effectiveness of the Contractor's outreach efforts for the REAP. In the event that the Contractor fails to achieve the stated tenant participation rate, the City reserves the right to terminate the Agreement in accordance with §503 (Termination) of the Agreement.

- B. Status reports on the progress of tenant outreach submitted on a monthly basis. Status reports shall include, the number of referrals received from LAHD, number of properties visited, number of units visited, number of units participating in REAP, number of units paying reduced or regular rent to the landlord, number of vacant units, and number of owner occupied units. The report shall also include the number of cases terminated. The report shall include, but may not be limited to, a

discussion of work performed during the period, information regarding communication with tenants and the budget expended to date. The format for the reports will be decided by the Housing Department and included in the contract;

- C. Develop and provide printed materials, brochures, letters, etc. for the outreach program. All printed materials developed for the program shall be provided to the Housing Department in both hard copy (final or camera ready art as applicable) and editable electronic format. The contractor acknowledges and agrees that all documents, databases, videos, Public Service Announcements, reports, analyses, studies, drawings, information, or data, originated and prepared by the contractor or subcontractors pursuant to the terms of the final contract shall become property of the City for its use in any manner it deems appropriate. The contractor assigns any and all of its respective interest and rights in such property to the City.
- D. Upon request of the LAHD, the Contractor shall attend and/or participate in scheduled LAHD meetings, hearings, and conferences regarding REAP and UMP cases for assigned properties, that may entail hearings before the REAP Committee, the Rent Adjustment Commission, or a hearing officer, as well as City Council meetings.
- E. Monthly fiscal invoice documentation on an LAHD approved form. The Contractor shall maintain financial records of monthly outreach program operating expenses. The Contractor shall make all such records available for LAHD inspection and if the LAHD requests, provide copies of requested records. The Contractor shall maintain the financial records in accordance with acceptable accounting standards.

III. PAYMENT

§301. Compensation and Method of Payment

- A. The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, an amount not to exceed (Dollars) (\$105,000), to be paid at the rate of (Dollars) (\$8,750) per month for the services that the Contractor has provided in that month. The foregoing rate represents the total compensation to be paid by the City to the Contractor for services to be performed as designated by this Agreement.

Each monthly invoice shall be accompanied by a statement detailing the work completed for the month. Contractor shall submit invoices that conform to City standards in a format provided by LAHD that shall include, at a minimum, the following information:

1. Name and address of company or firm
2. Name and address of (City) department being billed
3. Date of the invoice and period covered
4. Reference to contract number or authority (purchase order) number

5. Reference to LAHD Incident/Case Number.
6. Detailed description of the services provided for each address and amount due for the task
7. Payment terms, total due and due date
8. Certification by a duly authorized officer
9. Remittance Address (if different from company address)

Contractor shall submit all invoices on the Company's letterhead that contain the company's official logo, or contain other unique and identifying information such as name and address of company or individual. Invoices are considered complete when appropriate documentation or services provided are signed off as satisfactory by the City Manager or designee. Funds for services rendered shall not be released until LAHD has approved the services provided by the Contractor.

- B. It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.
- C. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.
- D. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

IV. STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the City or Contractor. The word "Contractor" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one Contractor herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

§402. Number of Originals

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the City's option, one or more additional original texts of this Contract may also be retained by the City.

§403. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, Contractor consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

§404. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of Contractor by the person or persons authorized to bind Contractor hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the City by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

§405. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph §406 hereof.

§406. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of §404.

§407. Excusable Delays

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

§408. Breach

In the event any party fails to perform, in whole or in part, any promise or covenant in this Agreement, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. These rights and remedies are cumulative of those provided for in this Agreement with respect termination, if any, except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

This contract may be terminated immediately for any violation of City Lobbying Ordinances.

In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited, any excess costs for such services.

If, after notice of termination of this Contract, under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to §503 Termination.

§409. Waiver

Waiver of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City.

No Waiver by the City or breach of any provision of these conditions shall be deemed for any purpose to be a waiver or breach of any other provision. A party's performance after the other party's default shall not be construed as a waiver of that default.

§410. Independent Contractor

Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. Contractor shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

§411. Contractor's Personnel

Contractor shall only assign personnel to this job who are qualified for this assignment by experience and/or education to perform the tasks under this Agreement. In the event anyone is replaced or terminated, Contractor shall notify the City in writing within five (5) days after termination, and provide information regarding the replacement employees' work and educational experience and qualifications.

§412. Prohibition Against Assignment or Delegation

Contractor may not, unless it has first obtained the written permission of the City:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

§413. Permits

Contractor and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for Contractor's performance hereunder and shall pay any fees required therefore. Contractor certifies to immediately notify the City of any suspension, termination, lapses, nonrenewals, or restrictions of licenses, permits, certificates, or other documents.

§414. Claims for Labor and Materials

Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible or intangible matter produced by Contractor hereunder), against Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

§415. Current Los Angeles City Business Tax Registration Certificate Required

If applicable, Contractor represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, Contractor shall maintain, or obtain as necessary, all such Certificates required of

it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

§416. Retention of Records, Audit and Reports

Contractor shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with requirements prescribed by the City. These records shall be retained for a period of no less than three years following final payment made by the City hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized City personnel or by the City's representative at any time during the term of this Contract or within the three years following final payment made by the City hereunder or the expiration date of this Contract, whichever occurs last. Contractor shall provide any reports requested by the City regarding performance of this Contract. Any subcontract entered into by Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

§417. Bonds

All bonds which may be required hereunder shall conform to City requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

§418. Indemnification

Except for the active negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Contractor undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by Contractor or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of §418 shall survive expiration or termination of this Contract.

§419. Insurance

During the term of this Contract and without limiting Contractor's indemnification of the City, Contractor shall provide and maintain at its own expense a program of insurance having the coverage's and limits customarily carried and actually arranged by Contractor, but not less than the amounts and types listed on the Required Insurance and Minimum

Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Contractor shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

§420. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

If any project produces any invention or discovery (invention) patentable or otherwise under Title 35 of the U.S. Code, including, without limitation processes and business methods made in the course of work under this Agreement, the Contractor shall report the fact and disclose the invention promptly and fully to the City. The City shall report the fact and disclose the invention to the Grantor. Unless there is a prior agreement between the City and the Grantor, the Grantor shall determine whether to seek protection on the invention. The Grantor shall determine how the rights in the invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of Title 35 USC §200 et seq. (P.L. 95-517, P.L. 98-620, 37 CFR, Part 401); Presidential Memorandum on Government Patent Policy, to the Heads of the Executive Departments and Agencies, dated 2/18/1983; and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 262). Contractor hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the terms of the Grantor or of this Agreement, when copyrightable materials (Material) is developed under this Agreement, the author or the City, at the City's discretion, may copyright the Material. If the City declines to copyright the Material, the City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all governmental purposes, any Material developed under this Agreement.

2. The Grantor shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all governmental purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement.
3. Contractor shall comply with 24 CFR 85.34.

D. Rights to Data

The Grantor and the City shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so, as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 USC §401 or §402, The Grantor acquires the data under a copyright license as set forth in 48 CFR 27.404(f) (2) instead of unlimited rights (48 CFR 27.404(a)).

E. Trade Secrets

Recognizing that the City has no way to safeguard trade secrets or proprietary information, Contractor shall and hereby keep and bear City harmless from all damages, costs, and expenses by reason of any disclosure by City of trade secrets and proprietary information. City shall not require Contractor to provide technical information that is proprietary to him, except as is requested by City to successfully complete the project that is the subject of the Agreement.

F. Intellectual Property Indemnification

Contractor, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the City, and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by Contractor, or its subcontractors of any tier, in performing the work under this Agreement; or (2) as a result of the City's actual or intended use of any Work Product furnished by Contractor, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the City. The provisions of §420 shall survive expiration or termination of this Contract.

G. Intellectual Property Warranty

Contractor represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

H. Obligations Binding on Subcontractors

Contractor shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subagreements.

§421. Ownership and License

Unless otherwise provided for herein, all Work Products originated and prepared by Contractor or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the City for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. Contractor hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by Contractor under this Contract. Contractor further agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

For all Work Products delivered to the City that are not originated or prepared by Contractor or its subcontractors of any tier under this Contract, Contractor hereby grants a non-exclusive perpetual license to use such Work Products for any City purposes.

Contractor shall not provide or disclose any Work Product to any third party without prior written consent of the City.

Any subcontract entered into by Contractor relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the City's ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of Contractor to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of Contractor's contract with the City.

§422. Conflict of Interest

A. The Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administrating any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

1. A member of such person's immediate family, or partner or organization has a financial interest in the subcontract;
2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

B. Definitions:

1. The term "immediate family" includes but is not limited to those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, his or her significant other, and his or her domestic partner.
2. The term "financial or other interest" includes but is not limited to:
 - a. Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
 - b. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
3. The Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a subagreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).

4. The Contractor shall not subcontract with a former director, officer, or employee within a one-year period following the termination of the relationship between said person and the Contractor.
5. Prior to obtaining the City's approval of any subcontract, the Contractor shall disclose to the City any relationship, financial or otherwise, direct or indirect, of the Contractor or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.
6. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the City of Los Angeles, State of California, and Federal regulations regarding conflict of interest.
7. The Contractor warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.
8. The Contractor covenants that no member, officer or employee of Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer for one year thereafter.
9. Contractor and its subcontractor shall identify and disclose to LAHD all potential conflicts of interest and relationships that could lead to claims of bias at the time a case is assigned to Contractor and before undertaking any work on the case. Such relationships to be disclosed include but are not limited to (1) where the Contractor or subcontractor or its agents are parties or are representing parties to a lawsuit involving the landlord or tenant(s), or (2) the Contractor or subcontractor or its agents are receiving income from the landlord or tenant(s) or have a financial interest in the landlord or tenant(s). In the event a potential conflict of interest or other relationship is identified after beginning work on a case, Contractor or subcontractor shall immediately disclose the potential conflict or relationship. After evaluating the disclosed information, LAHD may reassign a case to another Contractor to avoid any appearance of a conflict of interest or to avoid a claim of bias.
10. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor".

§423. Warranty and Responsibility of Contractor

Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within Contractor's profession, doing the same or similar work under the same or similar circumstances.

§424. Non-discrimination and Affirmative Action

- A. The Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status, or medical condition. The Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code Section 10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000), but no more than One Hundred Thousand Dollars (\$100,000), the Equal Employment practices provisions of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code Section 10.8., in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of One Hundred Thousand Dollars (\$100,000), the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code 10.8.4, in which event said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City' Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by City.
- C. Any subagreement entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this Section.
- D. No person shall on the grounds of race, ancestry, color, national origin, sex, sexual preference, age, physical handicap, marital status or domestic partner status be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this Section, Title 24 Code of Federal Regulations, Section 570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in situation as defined therein.

§425. Child Support Assignment Orders

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, Contractor will fully comply with all applicable State and Federal employment reporting requirements for Contractor's employees. Contractor shall also certify (1) that the Principal Owner(s) of Contractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that Contractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that Contractor will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of Contractor to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the Contractor under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to Contractor by the City.

Any subcontract entered into by Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of Contractor to obtain compliance of its subcontractors shall constitute a default by Contractor under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to Contractor by the City.

Contractor certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

§426. Federal, State and Local Taxes

Federal, State, and local taxes shall be the responsibility of the Contractor as an independent contractor and not as a City employee.

§427. Living Wage Ordinance and Service Contractor Worker Retention Ordinance

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:

1. Contractor assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. Contractor further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. Contractor shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. Contractor shall deliver the executed pledges from each such subcontractor to the City within ninety (90) days of the execution of the subcontract. Contractor's delivery of executed pledges from each such subcontractor shall fully discharge the obligation of Contractor with respect to such pledges and fully discharge the obligation of Contractor to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. Contractor, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. Contractor shall post the Notice of Prohibition Against Retaliation provided by the City.
 4. Any subcontract entered into by Contractor relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of §427 and shall incorporate the provisions of the LWO and the SCWRO.
 5. Contractor shall comply with all rules, regulations and policies promulgated by the City's Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the City determines that the subject Contractor has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the City's Designated Administrative Agency has determined (a) that Contractor is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the City in such circumstances may impound monies otherwise due Contractor in accordance with the following procedures. Impoundment shall mean that from monies due Contractor, City may deduct the amount determined to be due and

owing by Contractor to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether Contractor is to continue work following an impoundment shall remain in the sole discretion of the City. Contractor may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

- D. Contractor shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). Contractor shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from Contractor.

§428. Americans With Disabilities Act

Contractor hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations and the Americans Disabilities Act Amendments Act (ADAAA) Pub.L. 110-325 and all subsequent amendments. Contractor will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act and the Americans Disabilities Act Amendments Act (ADAAA) Pub.L. 110-325 and all subsequent amendments. Contractor will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with disability. Any subagreement entered into by the Contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

§429. Contractor Responsibility Ordinance

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires Contractor to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Contractor's fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, Contractor pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. Contractor further agrees to: (1) notify the City within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that Contractor is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the City within thirty calendar days of all findings by a government agency or court of competent jurisdiction that Contractor has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of

Compliance to the City; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the City within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

§430. Minority, Women, and Other Business Enterprise Outreach Program

Contractor agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. Contractor certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. Contractor shall not change any of these designated subcontractors, nor shall Contractor reduce their level of effort, without prior written approval of the City, provided that such approval shall not be unreasonably withheld.

§431 Equal Benefits Ordinance

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, Contractor certifies and represents that Contractor will comply with the EBO.
- B. The failure of Contractor to comply with the EBO will be deemed to be a material breach of this Contract by the City.
- C. If Contractor fails to comply with the EBO the City may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the City's Designated Administrative Agency determines that a Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the Contract. Violation of this provision may be used as evidence against Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

Contractor shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

§432. Slavery Disclosure Ordinance

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. Contractor certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

§433. First Source Hiring Ordinance

Unless otherwise exempt in accordance with the provisions of this Ordinance, this contract is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 et seq. of the Los Angeles Administrative Code, as amended from time to time.

- A. Contractor shall, prior to the execution of the contract, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that Contractor estimate they will need to fill in order to perform the services under the Contract.
- B. Contractor further pledges that it will, during the term of the Contract, shall a) At least seven business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Community Development Department (CDD), which will refer individuals for interview; b) Interview qualified individuals referred by CDD; and c) Prior to filling any employment opportunity, the Contractor shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the Contractor interviewed and the reasons why referred individuals were not hired.
- C. Any subcontract entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
- D. Contractor shall comply with all rules, regulations and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under Los Administrative Code Section 10.39 et seq., and must be documented in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted under Los

Angeles Administrative Code Section 10.40 et seq. This measure does not limit the City's authority to act under this article.

Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this contract and otherwise pursue legal remedies that may be available if the DAA determines that the subject Contractor has violated provisions of the FSHO.

V.

DEFAULTS, SUSPENSION, AND TERMINATION

§501. Defaults

Should the Contractor fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the City reserves the right to:

- A. Reduce the total budget;
- B. Make any changes in the general scope of this Agreement;
- C. Suspend project operations in accordance with §502 of this Agreement; or
- D. Terminate the Agreement.

§502. Suspension

The City may suspend all or part of the project operations for failure by the Contractor to comply with the terms and conditions of this Agreement by giving written notice, which shall be effective upon receipt.

- A. Said notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
- B. Within five (5) working days the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.
- C. Performance under this Agreement shall be automatically suspended without any notice from the City as of the date the Contractor is not fully insured in compliance with §419 (Insurance) herein. Performance shall not resume without the prior written approval of City.

§503. Termination

- A. The parties agree that at any time during the term of this Agreement, either party may terminate this Agreement, or any part of the Agreement, for convenience upon giving the other party at least 30 days written notice prior to the effective date of the termination, which date shall be specified in the notice.

The City is not required to use other remedies provided in this Agreement prior to issuing a 30-day notice to terminate the Agreement.

- B. Contractor shall retain and dispose of all customers' documents and related records required by the Contractor under this Agreement in accordance with City Directives or written instructions.

All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

- C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.
- D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.
- E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by the Contractor.
- F. The City may withhold any payments due to the Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from the Contractor is determined.

Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §201 of the foregoing Agreement or upon completion of performance of this Agreement.

§504. Notices of Suspension or Termination

In the event that this Agreement is suspended or terminated, the Contractor shall immediately notify all employees and participants and shall notify in writing all other parties contracted with under the terms of Agreement within five (5) working days of such suspension or termination.

VI. ENTIRE AGREEMENT

§601. Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. No verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement.

§602. Number of Pages and Attachments

This Agreement is executed in four (4) duplicate originals, each of which is deemed to be an original. This Agreement includes twenty-seven (27) pages and two (2) Exhibits which constitute the entire understanding and agreement of the parties.

THIS SPACE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

CARMEN A. TRUTANICH, City Attorney

Executed this _____ day of _____, 2012

By _____
Deputy/Assistant City Attorney
Date _____

For: THE CITY OF LOS ANGELES
DOUGLAS GUTHRIE
General Manager
Los Angeles Housing Department

ATTEST:

JUNE LAGMAY, City Clerk

By _____
Title _____

By _____
Deputy City Clerk
Date _____

Executed this _____ day of _____, 2012

For: (CONTRACTOR NAME)

(Contractor's Corporate Seal or Notary)

By _____
Print Name _____
Title _____

By _____
Print Name _____
Title _____

City Business License Number: _____

Internal Revenue Service ID Number: _____

Council File/CAO File Number: _____ Date of Approval: _____

Said Agreement is Number _____ of City Contracts.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

Self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a Service of Suit clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, **CONTRACTOR** must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 1 (Continued)
Required Insurance and Minimum Limits

Name: CONTRACTOR NAME Date: _____

Agreement/Reference: REAP and UMP Tenant Outreach Services

Evidence of coverage's checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amount shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

		<u>Limits</u>
X Workers' Compensation-Workers' Compensation (WC) and Employer's Liability (EL)		WC statutory
		EL <u>\$1,000,000</u>
<input type="checkbox"/> Waiver of Subrogation in favor of City	<input type="checkbox"/> Longshore & Harbor Workers	
	<input type="checkbox"/> Jones Act	

X General Liability		<u>\$1,000,000</u>
<input checked="" type="checkbox"/> Products/Completed Operations	<input type="checkbox"/> Sexual Misconduct _____	
<input type="checkbox"/> Fire Legal Liability _____		
<input type="checkbox"/> _____		

X Automobile Liability (for any and all vehicles used for this Contract, other than commuting to/from work) **\$1,000,000**

_ Professional Liability (Errors and Omissions) _____

_ Property Insurance (to cover replacement cost of building - as determined by insurance company) _____

- | | |
|--|---|
| <input type="checkbox"/> All Risk Coverage | <input type="checkbox"/> Boiler and Machinery |
| <input type="checkbox"/> Flood _____ | <input type="checkbox"/> Builder's Risk |
| <input type="checkbox"/> Earthquake _____ | <input type="checkbox"/> _____ |

_ Pollution Liability

_ Surety Bonds- Performance and Payment (Labor and Materials) Bonds 100% of Contract Price
_ Crime Insurance _____

Other: _____

EXHIBIT 2
NOTICE OF PROHIBITION AGAINST RETALIATION

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at www.lacity.org/BCA/lwo_retaliation_english.pdf and in Spanish at www.lacity.org/BCA/lwo_retaliation_spanish.pdf). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

**NOTICE TO EMPLOYEES
WORKING ON CITY CONTRACTS
RE: LIVING WAGE ORDINANCE AND
PROHIBITION AGAINST RETALIATION**

“Section 10.37.5 Retaliation Prohibited” of the Living Wage Ordinance (LWO) provides that any employer that has a contractual relationship with the City **may not** discharge, reduce the pay of, or discriminate against his or her employees working under the City contract for any of the following reasons:

1. Complaining to the City if your employer is not complying with the Ordinance.
2. Opposing any practice prohibited by the Ordinance.
3. Participating in proceedings related to the Ordinance, such as serving as a witness and testifying in a hearing.
4. Seeking to enforce your rights under this Ordinance by any lawful means.
5. Asserting your rights under the Ordinance.

Also, you may not be fired, lose pay or be discriminated against for asking your employer questions about the Living Wage Ordinance, or asking the City about whether your employer is doing what is required under the LWO. If you are fired, lose pay, or discriminated against, you have the right to file a complaint with the Equal Employment Opportunity/Affirmative Action Section, as well as file a claim in court.

For more information, or to obtain a complaint form, please call the Equal Employment/Affirmative Action Section at (213) 847-6480

**CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
600 South Spring Street, Suite 1300
Los Angeles, CA 90014
Phone: (213) 847-6480 — Fax: (213) 847-556**

SECOND AMENDMENT
TO AGREEMENT NUMBER C-118559 OF CITY CONTRACT
BETWEEN
CHARLES AND CYNTHIA EBERLY, INCORPORATED DBA
THE EBERLY COMPANY

RELATING TO
RENT ESCROW ACCOUNT PROGRAM (REAP) AND
UTILITY MAINTENANCE PROGRAM (UMP) LANDLORD OUTREACH SERVICES

THIS FIRST AMENDMENT to Agreement Number C-118559 is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter referred to as the City, and Charles and Cynthia Eberly, Incorporated DBA The Eberly Company, a California corporation, hereinafter referred to as the Contractor, organized and existing under the laws of the State of California.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an agreement wherein the Contractor shall provide certain outreach services to landlords and property owners of buildings in the Los Angeles Housing Department's (LAHD's) Rent Escrow Account Program (REAP) and Utility Maintenance Program (UMP) in connection with the City's Rent Stabilization Ordinance and said agreement, effective January 1, 2011, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, §505 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as authorized by the City Council and the Mayor (refer to Council File Number xx-xxxx-xx dated xxxxxx xx, xxxx), which authorized the General Manager or designee thereof, of the Los Angeles Housing Department to prepare and execute an amendment to the Agreement for the purpose of adding additional funds in the amount of Eight Thousand Seven Hundred and Fifty Dollars (\$8,750), for a new total contract amount of One Hundred Eighty Three Thousand Seven Hundred and Fifty Dollars (\$183,750); and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement;

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended, effective July 1, 2012, as follows:

AMENDMENT

- §1. Amend II., TERM AND SERVICES TO BE PROVIDED, Section 201, Time of Performance, by deleting the ending date of December 31, 2012 and substituting therefore the ending date of June 30, 2013. This revision adds six (6) months to the term of this Agreement, for a total of two years and six months.
- §2. Amend III., PAYMENT, Section 301., Compensation and Method of Payment, Subparagraph A., by deleting the first paragraph and replacing with the following:
- The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, a revised total amount not to exceed Two Hundred Thirty Six Thousand Two Hundred Fifty Dollars (\$236,250). The foregoing rate represents the total compensation to be paid by the City to the Contractor for services to be performed as designated by this Agreement.
- This amendment adds Sixty One Thousand Two Hundred and Fifty Dollars (\$61,250) to the contract amount of One Hundred Seventy-Five Thousand Dollars (\$175,000) for a new total of Two Hundred Thirty Six Thousand Two Hundred Fifty Dollars (\$236,250). The foregoing rate represents the maximum possible compensation to be paid by the City to the Contractor for services to be performed as designated by this Agreement. Actual compensation to the Contractor may be less than this total amount.
- §3. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §4. This Amendment is executed in four (4) duplicate originals, each of which is deemed to be an original. This Amendment includes three (3) pages, which constitute the entire understanding and agreement between the parties.

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:
CARMEN A. TRUTANICH, City Attorney

Executed this _____ day of _____, 2012

By _____
Deputy/Assistant City Attorney
Date _____

For: THE CITY OF LOS ANGELES

DOUGLAS GUTHRIE
General Manager
Los Angeles Housing Department

ATTEST:

JUNE LAGMAY, City Clerk

By _____
Title _____

By _____
Deputy City Clerk
Date _____

Executed this _____ day of _____, 2012

For: CHARLES AND CYNTHIA
EBERLY, INCORPORATED DBA THE
EBERLY COMPANY

(Contractor's Corporate
Seal or Notary)

By _____
Print Name _____
Title _____

By _____
Print Name _____
Title _____

City Business License Number: 0000160994
Internal Revenue Service ID Number: 95-4113766

Council File/CAO File Number: XX-XXXX-XX Date of Approval: XXXXXX XX, XXXX

Said Agreement is the First Amendment of Agreement Number C-118559 of City Contracts.