

**REPORT FROM**

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

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Date: March 7, 2017

CAO File No. 0220-00540-1225  
Council File No. 13-1105  
Council District: Citywide

To: The Mayor  
The Council

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Reference: Housing and Community Investment Department Transmittal dated December 29, 2016; Received by the City Administrative Officer on January 13, 2017; Additional Information Received through February 28, 2017.

Subject: **REQUEST FOR AUTHORITY TO RELEASE A REQUEST FOR PROPOSALS (RFP) FOR TENANT RELOCATION ASSISTANCE SERVICES AND EXECUTE A THIRD AMENDMENT TO THE CURRENT CONTRACT FOR SIX MONTHS TO PREVENT A BREAK IN SERVICE**

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**RECOMMENDATIONS**

That the Council, subject to the approval of the Mayor, authorize the General Manager of the Housing and Community Investment Department (HCID), or designee, to:

1. Execute a Third Amendment to Contract C-123876 with Paragon Partners, LTD for the continued provision of tenant relocation assistance services, to extend the contract term by six months from May 1, 2017 through October 31, 2017 for a revised total contract term of three years and six months, in conformance with the draft Third Amendment attached to this report, subject to the City Attorney review and approval as to form and legality;
2. Prepare and release a Request for Proposals (RFP) to solicit bids for tenant relocation assistance services, in conformance with the draft RFP attached to the HCID's report dated December 29, 2016, subject to the City Attorney review and approval as to form and legality, to commence on or about November 1, 2017, for a one-year period with an option to extend for two additional one-year periods, subject to contractor performance, availability of funds, and approval by the Mayor and City Council; and,
3. Report back to the Mayor and Council with the results of the RFP and recommendations to enter into a contract for the provision of tenant relocation assistance services, including funding levels and Controller instructions.

## **SUMMARY**

The General Manager of the Los Angeles Housing and Community Investment Department (HCID) requests authority to extend the existing contract for tenant relocation assistance by six months and release a Request for Proposals (RFP) for such services. The existing contract (C-123876) will expire on April 30, 2017 and the request for an extension is to prevent a break in service mandated by the Los Angeles Municipal Code while the HCID conducts the RFP process and selects a new contractor. The HCID transmittal dated December 29, 2016 references a contract that expired on April 30, 2014, and this Office provides the correct contract number for the existing contract in the amended recommendations. The HCID reports that the need for the relocation assistance services is intermittent and on an as-needed basis. Therefore, the requested Third Amendment to C-123876 is to extend the term of the contract through October 31, 2017, with no increase in the total contract amount of \$1,500,000.

### Source of Funds

The proposed funding source for the tenant relocation assistance services will be from fees paid by landlords removing units from the rental market for permissible no-fault reasons.

### Charter Section 1022 Determination

The Personnel Department completed a Charter Section 1022 determination on December 30, 2016 for tenant relocation assistance services, and found that City employees have the expertise to perform the work; however, the work assignment exceeds staffing availability. On February 17, 2016, our Office concurred that it is more feasible to contract for tenant relocation assistance services because the selected contractor must: 1) possess a strong knowledge of the Los Angeles Municipal Code sections that pertain to relocation assistance (sections 47.06, 47.07, 151.02, 151.09, and 151.30); and 2) have the ability to conduct tenant outreach to collect information and provide on-going advisory assistance to minimize tenants' hardship.

This Office concurs with HCID's request, as amended. The recommendations in this report are in compliance with the City's Financial Policies in that funding for the successful proposal will be supported by fees.

## **FISCAL IMPACT STATEMENT**

There will be no impact to the General Fund. The recommendations in this report are in compliance with the City's Financial Policies in that funding for the successful proposal will be from fees paid by landlords removing units from the rental market for permissible no-fault reasons.

*RHL:EIC:02170116C*

Attachment

**CAO ATTACHMENT TO HCID'S REQUEST TO EXECUTE THIRD AMENDMENT TO C-123876**

THIRD AMENDMENT  
TO AGREEMENT NUMBER C-123876 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
PARAGON PARTNERS LTD.

TENANT RELOCATION ASSISTANCE SERVICES

THIS THIRD AMENDMENT to Agreement Number C-123876 of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the City, and Paragon Partners Ltd., hereinafter referred to as the Contractor.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide certain services, said Agreement effective May 1, 2014 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

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

WHEREAS, The Agreement contemplated that modifications and closeout activities may be required after the time set forth in "§201. Time of Performance" of 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 13-1105 approved by City Council on XXXXber XX 2017 and concurred by the Mayor on XXXXber XX 2017 which authorizes the General Manager of the Housing and Community Investment Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding an additional six (6) months for a new ending date of October 31, 2017; (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; 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 as follows:

### THIRD AMENDMENT

- §1. Amend Section 201 "Time of Performance", by deleting the current ending date of April 30, 2017, and replacing it with a new ending date of October 31, 2017 .This amendment adds an additional six (6) months for a total term of forty-two (42) months.
- §2. Amend Section 410 "Nondiscrimination and Affirmative Action" by deleting it in its entirety and replacing it as follows;
- 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, including compensation, against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief. 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 CRF Part 60).
  - B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code §10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000) or more, Contractor shall comply with the Equal Employment Practices Provisions of the Los Angeles Administrative Code Section 10.8.3., in which event, said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of Twenty-Five Thousand Dollars (\$25,000), 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's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action.
  - C. Any subcontract 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, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief 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 Part 107 and Section 570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in situation as defined therein.

- §3. Amend Section 411 "Equal Employment Practices" by deleting it in its entirety and replacing it as follows;

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this contract, Contractor agrees and represents that it will provide equal employment practices and Contractor and each subcontractor hereunder will ensure that, in his or her employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship and political affiliation or belief.
1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. Contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration, including compensation, for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief.

- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, Contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis of compensation or because of race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief.
- D. Contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment practices provisions of City contracts. Contractor shall, upon request, provide evidence that it has or will comply therewith.
- E. The failure of any Contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice, and an opportunity to be heard has been given to Contractor.
- F. Upon a finding duly made that Contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City. In addition such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the Contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, Contractor shall be disqualified from being awarded a contract with the City for a period of two years, or until Contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City shall have any and all other remedies at law or in equity for any breach hereof.
- H. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.



- I. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, Contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.
- J. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
  - 1. Hiring practices;
  - 2. Apprenticeships where such approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
  - 3. Training and promotional opportunities; and
  - 4. Reasonable accommodations for persons with disabilities.
- K. 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 comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Contractor's Contract with the City.

§5. Amend to add Section 429 "Fair Chance Initiative For Hiring Ordinance" by adding the following;

§408 Fair Chance Initiative For Hiring Ordinance

Unless otherwise exempt under Federal or State law, City Contractors and subcontractors with 10 or more employees are prohibited under Los Angeles Administrative Code Section 10.48 from seeking a job applicant's criminal history information until a job offer is made and from withdrawing a job offer unless the employer performs an assessment of the applicant's criminal history and the duties of the position. Contractors and subcontractors are required to include information regarding the ordinance in all job solicitations and advertisements and to post notices informing job applicants of their rights. Additional information and forms may be found at Department of Public Works, Bureau of Contract Administration at <http://bca.lacity.org/>.

§6. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.

§7. This Amendment is executed in three (3) duplicate originals, each of which is deemed to be an original. This Amendment includes seven (7) pages which constitute the entire understanding and agreement of the parties.

DRAFT



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: Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

MICHAEL N. FEUER, City Attorney

By \_\_\_\_\_  
Deputy/Assistant City Attorney

For: THE CITY OF LOS ANGELES

RUSHMORE D. CERVANTES  
Housing and Community Investment  
Department

Date \_\_\_\_\_

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By \_\_\_\_\_  
Laura K. Guglielmo  
Executive Officer

By \_\_\_\_\_  
Deputy City Clerk

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Date \_\_\_\_\_

For: PARAGON PARTNERS LTD.

By \_\_\_\_\_  
Neila La Valle  
President & Chief Executive Officer

By \_\_\_\_\_  
Joel Gewell  
Vice President & Secretary

City Business License Number: 0000318396-0001-4

Internal Revenue Service Number: 33-0572526

Council File/CAO File Number: 13-1105 Date of Approval XXXber, XX, 2017

Said Agreement is Number C-123876 of City Contracts Amendment 3