

NIF Scores and Rankings of Proposals

Attachment A

A	B	C	D	E	F	G	H	I
Rank	Log #	PROPOSER	PROJECT	Score	Council District	Requested Funding	Recommended Funding	Funds Available (Funds avail., less ranked projects)
1	6	City of Los Angeles Bureau of Engineering	Glassell Park Transit Pavilion	96.55	1	\$250,000	\$250,000	\$4,487,958
2	29	City of Los Angeles Bureau of Street Services	Hoover-23rd Street-Union Avenue Triangle Plaza	94.86	1	\$250,000	\$250,000	\$4,237,958
3	1	Young Women's Christian Association of Greater Los Angeles, California	Angeles Mesa Empowerment Center	88.90	10	\$250,000	\$250,000	\$3,987,958
4	14	Coalition for Responsible Community Development	CRCD Enterprises Job Training Site Project	87.90	9	\$208,363	\$208,363	\$3,779,595
5	21	Department of Transportation	Avenue 51-Figueroa Pedestrian Safety Project	86.79	1	\$250,000	\$250,000	\$3,529,595
6	32	Department of Recreation and Parks	South Park Improvement	85.57	9	\$250,000	\$250,000	\$3,279,595
7	8	Children's Institute, Inc.	Children's Institute, Inc.'s Mid-Wilshire Campus Energy Efficiency Improvement Project	84.80	10	\$167,364	\$167,364	\$3,112,231
8	30	Ride on LA	Community Center Construction Project	84.40	12	\$250,000	\$250,000	\$2,862,231
9	9	PATH Ventures	PATH Temporary Housing Shelter Renovation Project	82.50	13	\$250,000	\$250,000	\$2,612,231
10	7	Watts Labor Community Action Committee	WLCAC Bradley Multipurpose Senior Center Space Improvement Project	80.43	15	\$244,058	\$244,058	\$2,368,173
11	2	Weingart Center Association	Transitional Housing Residential Water Boiler Replacement Project	80.40	14	\$75,675	\$75,675	\$2,292,498
12	27	Los Angeles Neighborhood Initiative (LANI)	Council District 8 Sidewalk Repair and Replacement Project	79.61	8	\$250,000	\$250,000	\$2,042,498
13	13	Public Works Group dba Learning Works Charter School	Learning Works@Homeboy Industries Charter School and Community Center	79.20	14	\$142,945	\$142,945	\$1,899,553
14	12	A Place Called Home	A Place Called Home (APCH) Phase I Renovation Project	79.15	9	\$250,000	\$250,000	\$1,649,553
15	28	Gateways Hospital and Mental Health Center	Wellness Program Project	79.05	13	\$99,500	\$99,500	\$1,550,053
16	31	JWCH Institute, Inc.	MINI Twelve Step House Capital Improvement Project	78.50	9	\$250,000	\$250,000	\$1,300,053
17	5	Watts Labor Community Action Committee (WLCAC)	Watts Labor Community Action Committee (WLCAC) Family Source Center (FSC) (also known as Watts Family Source Center) Space Improvement	78.46	15	\$218,115	\$218,115	\$1,081,938
18	3	Youth Policy Institute, Inc.	YPI YouthSource Center	77.30	7	\$250,000	\$250,000	\$831,938
19	16	Department of Aging	Bernardi Multipurpose Senior Center Renovation Project	76.39	2	\$250,000	\$250,000	\$581,938
20	17	Department of Aging	ONEgeneration Senior Enrichment Center Renovation Project	74.39	3	\$249,938	\$249,938	\$332,000
21	10	Bureau of Street Lighting	Sun Valley (Roscoe/Crockett/Vineland) Street Lighting Project	71.59	6	\$150,000	\$150,000	\$182,000
22	22	Harbor Area Gang Alternatives Program	Wilmington Learning Office Annex Renovation Project	71.00	15	\$172,000	\$172,000	\$10,000
23	11	Build Rehabilitation Industries	Build Rehabilitation Industries ADA Improvements	70.45	7	\$10,000	\$10,000	\$0
24	24	Pacoima Beautiful	Bradley Avenue Green Alley	70.04	7	\$250,000	\$0	\$0
SCORED BELOW 70 POINTS						\$4,737,958		
25	26	Los Angeles Neighborhood Initiative (LANI)	Circle Park Renovation and Access Improvement Project	68.04	8	\$250,000		
26	18	Department of Aging	Robert M. Wilkinson Multipurpose Senior Center Renovation Project	65.50	12	\$249,805		
27	15	Coalition of Mental Health Professionals, Inc.	Coalition of Mental Health Professionals Community Wellness Center - 9219 S. Broadway	64.60	8	\$40,000		
28	19	Department of Aging	PCS West Adams Multipurpose Senior Center Renovation Project	64.36	10	\$249,938		
29	20	Department of Aging	WLCAC Theresa Lindsay Senior Center Renovation Project	63.32	9	\$249,956		
30	23	Pacoima Beautiful	Haddon Tunnel Improvement Project	62.80	7	\$250,000		
DEEMED INELIGIBLE FOR CDBG FUNDING								
NE	4	LTSC Community Development Corporation	Budokan of Los Angeles	Ineligible	14	\$250,000		
NE	25	Los Angeles Neighborhood Initiative (LANI)	Renovation of Wilmington Town Square Park	Ineligible	15	\$250,000		
NE	33	Latino Theater Company	Rehabilitation of the Historic Los Angeles Theatre Center: Theater & Front-of-House	Ineligible	14	\$250,000		
Total:						\$11,765,615	\$4,737,958	

NIF Proposals—Summaries and Scopes of Work

A	B	C	D	E	F	G	H	I	J	K	L
Rank	Log #	Proposer	Project	Score	Council District	Total development cost	Requested Funding	Recommended Funding	Description	Site Address	Applicant Type
1	6	City of Los Angeles Bureau of Engineering	Glassell Park Transit Pavilion	96.55	1	\$560,455	\$250,000	\$250,000	The project site is approximately 4,420 ft ² . Project would rehabilitate the heavily utilized transit hub plaza located in the City ROW at the junction of San Fernando Road-Verdugo Road-Eagle Rock Blvd-Cypress Avenue. The project would provide transit riders and pedestrians with a safe and comfortable transit plaza with shaded shelter from the elements, seating, security lighting, and landscape features, ADA curb ramps, and enhanced crosswalks.	San Fernando Road-Verdugo Road-Eagle Rock Blvd-Cypress Avenue Junction	City department
2	29	City of Los Angeles Bureau of Street Services	Hoover-23rd Street-Union Avenue Triangle Plaza	94.86	1	\$450,000	\$250,000	\$250,000	The project site is approximately 7,770 ft ² . Project would rehabilitate the dark, dangerous, and dilapidated City-owned triangle that serves as the transit hub for Metro lines 200 and 603 at Hoover, 23rd Street, and Union Avenue. The project would transform the blighted city-owned triangle into an enhanced transit hub and community gathering destination through the replacement and upgrade of the damaged irrigation and dead grass, installation of landscaping, pedestrian and security lighting, decorative paving, transit shelters, seating and other street furniture, ADA compliant pathways, curb ramps, and continental crosswalks.	2308 S. Hoover; 2301 S. Union	City department
3	1	Young Women's Christian Association of Greater Los Angeles, California	Angeles Mesa Empowerment Center	88.90	10	\$441,629	\$250,000	\$250,000	Conversion of aquatic center, i.e., indoor pool room to usable space for senior programs; and renovation of adjacent locker rooms for ADA compliance.	2501 Vernon	Nonprofit
4	14	Coalition for Responsible Community Development	CRCD Enterprises Job Training Site Project	87.90	9	\$218,363	\$208,363	\$208,363	Tenant improvements to an existing warehouse buildout of 7-8 offices, conference room; additional doors, windows, lighting, sound insulation, T-bar ceiling, electrical, HVAC to accommodate new offices; and ADA compliant bathroom improvements, new walkway, and entrance.	2415 S. Central Ave.	Nonprofit
5	21	Department of Transportation	Avenue 51-Figueroa Pedestrian Safety Project	86.79	1	\$250,000	\$250,000	\$250,000	Installation of pedestrian safety improvements at Avenue 51 and Figueroa intersections including traffic signals, pedestrian countdown signals, continental crosswalks, and ADA compliance.	Intersection of Avenue 51 and Figueroa	City department
6	32	Department of Recreation and Parks	South Park Improvement	85.57	9	\$250,000	\$250,000	\$250,000	Project would include construction of new basketball courts in a new location within the park.	345 East 51st Street	City department
7	8	Children's Institute, Inc.	Children's Institute, Inc.'s Mid-Wilshire Campus Energy Efficiency Improvement Project	84.80	10	\$167,364	\$167,364	\$167,364	The project includes energy efficiency improvements with the installation of new heating and cooling equipment, which would be considered permanent attached appliances. The project will fund 23 air conditioning units on two adjacent, agency-owned buildings which make up the Mid-Wilshire Campus.	701 & 711 S. New Hampshire Avenue	Nonprofit
8	30	Ride on LA	Community Center Construction Project	84.40	12	\$680,000	\$250,000	\$250,000	New construction of 2,600 ft ² single-story building with meeting, office space and ADA bathrooms.	10860 Topanga Canyon Blvd	Nonprofit
9	9	PATH Ventures	PATH Temporary Housing Shelter Renovation Project	82.50	13	\$500,000	\$250,000	\$250,000	The renovation of two floors of temporary housing (66 guest rooms) that are located in the PATH Regional Homeless Shelter. The funds would pay for new kitchens, bathrooms, showers, a water heater, and ADA accessibility components. The renovation of the Regional Shelter is part of the PATH Metro Project, which also includes the development of 68 new units of permanent supportive housing for homeless and chronically homeless veterans, to be constructed in the rear parking lot of the Regional Center. The PATH Metro project also includes a medical clinic.	340 N. Madison Avenue	Nonprofit
10	7	Watts Labor Community Action Committee	WLCAC Bradley Multipurpose Senior Center Space Improvement Project	80.43	15	\$244,058	\$244,058	\$244,058	The project would entail capital improvements to the Bradley Multipurpose Senior Center. The Bradley Center is an 11,805 ft ² facility that houses WLCAC's senior nutrition and healthy aging programs. The scope of work includes 1) Installing ADA compliant restrooms; 2) New nonskid flooring in the commercial kitchen; 3) New roof; and 4) Installing new AC units in the lobby area and kitchen.	10957 S. Central Avenue	Nonprofit
11	2	Weingart Center Association	Transitional Housing Residential Water Boiler Replacement Project	80.40	14	\$75,675	\$75,675	\$75,675	This project would consist of the removal of the existing residential water boiler, purchase of permits and hardware, and installation of a new energy efficient Smith Series 19HE water boiler to benefit the 176 staff, 538 residents, and 10,268 annual homeless clients of the Weingart Center for the Homeless.	566 S San Pedro Street	Nonprofit
12	27	Los Angeles Neighborhood Initiative (LANI)	Council District 8 Sidewalk Repair and Replacement Project	79.61	8	\$250,000	\$250,000	\$250,000	This project would replace 24 residential sidewalks on West 94th Street in the South LA neighborhood of Gramercy Park. The replacement of severely damaged sidewalks would create an environment that is conducive to safe pedestrian travel, encouraging active use and enhancing quality of life. The improvements would serve homeowners in a predominantly low and moderate income residential community. Repairing the sidewalks would beautify the neighborhood, increasing pedestrian and cyclist safety and offering new opportunities for physical activity and exercise.	1800 - 2100 blocks of W. 94th Street	Nonprofit
13	13	Public Works Group dba Learning Works Charter School	Learning Works@Homeboy Industries Charter School and Community Center	79.20	14	\$142,945	\$142,945	\$142,945	Requesting CDBG dollars to install new roof, HVAC system, security doors/gate and community use space at charter school facility.	1912 & 1916 E. First St. (adjoining buildings)	Nonprofit

NIF Proposals—Summaries and Scopes of Work

A	B	C	D	E	F	G	H	I	J	K	L
Rank	Log #	Proposer	Project	Score	Council District	Total development cost	Requested Funding	Recommended Funding	Description	Site Address	Applicant Type
14	12	A Place Called Home	A Place Called Home (APCH) Phase I Renovation Project	79.15	9	\$1,316,505	\$250,000	\$250,000	The funding would renovate space for a welcome center, teen center, and performing arts space in our two buildings to increase services offered and number of youth member served. The community center serves youth and families in South LA.	2830 & 2903 South Central Avenue	Nonprofit
15	28	Gateways Hospital and Mental Health Center	Wellness Program Project	79.05	13	\$99,500	\$99,500	\$99,500	The current center needs a lot of renovation to accommodate additional clientele and increase the building to a more energy efficient structure.	433 N Hoover Street	Nonprofit
16	31	JWCH Institute, Inc.	Mini Twelve Step House Capital Improvement Project	78.50	9	\$250,000	\$250,000	\$250,000	JWCH's Mini Twelve Step House (MTSH) provides residential substance abuse treatment to primarily African American and Latina women living in the most impoverished areas of LA County, who often experience homelessness, mental health disorders, violence and isolation. MTSH treats pregnant/postpartum women and provide residential and social services to their children while allowing them to remain with their mothers. Project would remodel/renovate the kitchen and bathrooms.	303 East 52nd Street	Nonprofit
17	5	Watts Labor Community Action Committee (WLCAC)	Watts Labor Community Action Committee (WLCAC) Family Source Center (FSC) (also known as Watts Family Source Center) Space Improvement	78.46	15	\$218,115	\$218,115	\$218,115	The FamilySource space improvement would include installing air conditioning units; upgrading the entryways and bathrooms to be more ADA compliant; and roof installation.	958 E. 108th Street	Nonprofit
18	3	Youth Policy Institute, Inc.	YPI YouthSource Center	77.30	7	\$250,000	\$250,000	\$250,000	YPI proposes major renovations for its YouthSource Center, including a major remodel of the interior office and classroom spaces (approximately half of the total building size or 6500 ft ²). The space will be reconfigured to maximize offices and classrooms, while adding a multipurpose room with a movable glass dividing wall. Renovations also include a new façade leading to a new front entrance, and reconfiguring a conference room to serve as the reception area and receptionist office. All reconfigured areas will need to be refinished/repainted, which will help give the Center a facelift. Renovations also include a new HVAC system and new electrical system. The parking lot will be reconfigured to increase the number of parking spaces for staff and clients.	11844 Glenoaks Blvd.	Nonprofit
19	16	Department of Aging	Bernardi Multipurpose Senior Center Renovation Project	76.39	2	\$465,937	\$250,000	\$250,000	Project would cover an entire renovation, including flooring, ADA compliant features, bathroom renovation, etc.	6514 Sylmar St.	City department
20	17	Department of Aging	ONEgeneration Senior Enrichment Center Renovation Project	74.39	3	\$249,938	\$249,938	\$249,938	Project would cover an entire renovation, including flooring, ceiling replacement, and ADA compliant doors and features.	18255 Victory Blvd.	City department
21	10	Bureau of Street Lighting	Sun Valley (Roscoe/Crockett/Vineland) Street Lighting Project	71.59	6	\$150,000	\$150,000	\$150,000	Installation of a continuous street lighting system on Roscoe Blvd. and Crockett St. between Vineland and Sunland, and Vineland between Roscoe and San Fernando Rd.	10916-10977 Roscoe Blvd., 10915-10966 Crockett St.	City department
22	22	Harbor Area Gang Alternatives Program	Wilmington Learning Office Annex Renovation Project	71.00	15	\$172,000	\$172,000	\$172,000	The Wilmington Learning Office Annex is a community facility that provides programming and services to a low and moderate income, limited clientele. The facility was acquired in Dec. 2012 and is on 9,500 ft ² of land, and the property is 4,200 ft ² . Project would replace termite-damaged roof, install wiring, replace HVAC system, renovate kitchen and bathroom, replace entry doors with secure, and ADA compliant doors.	1148 N. Avalon Blvd	Nonprofit
23	11	Build Rehabilitation Industries	Build Rehabilitation Industries ADA Improvements	70.45	7	\$10,000	\$10,000	\$10,000	Install automatic doors to make it easier for people with disabilities to address the building.	12432 Foothill Blvd	Nonprofit
24	24	Pacoima Beautiful	Bradley Avenue Green Alley	70.04	7	\$250,000	\$250,000	\$0	This project would link residents of the San Fernando Gardens Public Housing Project to the Bradley Plaza and Van Nuys Boulevard. This will be achieved through creating a 40 ft. green alley.	(alley adjacent to) 1093 Bradley Ave.	Nonprofit

NIF Proposals—Summaries and Scopes of Work

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Rank	Log #	Proposer	Project	Score	Council District	Total development cost	Requested Funding	Recommended Funding	Description	Site Address	Applicant Type
SCORED BELOW 70 POINTS											
25	26	Los Angeles Neighborhood Initiative (LANI)	Circle Park Renovation and Access Improvement Project	68.04	8	\$250,000	\$250,000	\$0	This project would complete the renovation of Circle Park. The comprehensive improvements would increase the park's sustainability by replacing paved surfaces with permeable decomposed granite walkways; installing attractive, drought-tolerant plants and trees, as well as a water-sensitive irrigation system. Security lighting would be added to improve safety and attract residents to utilize the park at night. Circle Park directly serves a predominantly low and moderate income residential community. Renovating the space would beautify the neighborhood, increasing access to open space for physical activity and exercise, reducing the City's maintenance costs and water use and helping to revitalize an area adjacent to a commercial corridor.	76th Street and Gramercy Place	Nonprofit
26	18	Department of Aging	Robert M. Wilkinson Multipurpose Senior Center Renovation Project	65.50	12	\$249,805	\$249,805	\$0	Project would cover the entire renovation, including flooring and ADA compliant features.	8956 Vanalden Ave.	City department
27	15	Coalition of Mental Health Professionals, Inc.	Coalition of Mental Health Professionals Community Wellness Center - 9219 S. Broadway	64.60	8	\$40,000	\$40,000	\$0	Project would cover Capital Improvements to increase accessibility for individuals with disabilities to its office and Family Service Center. Planned improvements include accessible parking spaces, entryways, front counter, and bathroom accessibility modifications.	9219 S. Broadway Ave.	Nonprofit
28	19	Department of Aging	PCS West Adams Multipurpose Senior Center Renovation Project	64.36	10	\$249,938	\$249,938	\$0	Project would cover the entire renovation, including ADA compliant features, bathroom renovations, flooring, roof replacement, etc.	2528 West Blvd.	City department
29	20	Department of Aging	WLCAC Theresa Lindsay Senior Center Renovation Project	63.32	9	\$249,956	\$249,956	\$0	Project would cover the entire renovation, including air conditioning/heating, roof replacement, ADA compliant upgrades, etc.	429 E. 42nd Place	City department
30	23	Pacoima Beautiful	Haddon Tunnel Improvement Project	62.80	7	\$250,000	\$250,000	\$0	This project would improve a blighted pedestrian tunnel that is heavily used by students and residents to cross the 118 freeway and access schools, services, and transportation.		Nonprofit
DEEMED INELIGIBLE FOR CDBG FUNDING											
NE	4	LTSC Community Development Corporation	Budokan of Los Angeles	Ineligible	14	\$17,950,000	\$250,000	\$0	The project would entail the new construction of an 88,900 ft ² multipurpose sports and activities center in Little Tokyo, adjacent to the St. Vibiana Cathedral and the Little Tokyo Library. The project would consist of gymnasium, community room space and a 17,000 ft ² rooftop park. The CDBG would go toward supporting design costs for the project.	237-249 S. Los Angeles Street	Nonprofit
NE	25	Los Angeles Neighborhood Initiative (LANI)	Renovation of Wilmington Town Square Park	Ineligible	15	\$250,000	\$250,000	\$0	This project would complete the renovation of Wilmington Town Square Park. The comprehensive improvements would increase the park's sustainability by replacing paved surfaces with permeable decomposed granite walkways; installing attractive, drought-tolerant plants and trees, as well as a water-sensitive irrigation system. Security lighting would be added to improve safety and attract residents to utilize the park at night. Wilmington Town Square Park directly serves a predominantly low and moderate income residential community. Renovating the space would beautifying the neighborhood, increasing access to open space for physical activity and exercise, reducing the City's maintenance costs and water use and helping to revitalize an area adjacent to a commercial corridor.	Avalon and I Street	Nonprofit
NE	33	Latino Theater Company	Rehabilitation of the Historic Los Angeles Theatre Center: Theater & Front-of-House	Ineligible	14	\$450,000	\$250,000	\$0	This project is part of a larger renovation project underway at LATC, and would be comprised of 1) Rehabilitation of LATC's Exterior facade and 2) Repurposing of the theater from a traditional performing arts space into a modern, interactive, digital-media enhanced theater. By increasing the programming available at LATC, the project would stimulate the neighborhood's economy and support its increasing walkability.	514 South Spring Street	Nonprofit
						Total:	\$27,602,183	\$7,027,657	\$4,737,958		

**GRANT FUNDING AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND**



Agreement No.

Project Title:

Doing Business As:

Type of Organization:

Corporate Number:

DUNS Number:

CFDA (Catalog of Federal
Domestic Assistance) 14.218
Number:

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EXHIBITS

- EXHIBIT A INSURANCE REQUIREMENTS
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A G R E E M E N T

THIS AGREEMENT is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter "City", and _____, a _____, hereinafter "Contractor".

RECITAL

Whereas, the City has entered into Grant Agreements with the United States Department of Housing and Urban Development, hereinafter called the GRANTOR, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, to address the community development needs of the CITY, and also, pursuant to Title IV, Subtitle B of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100-77, to address the needs of homeless persons in the City; and

Whereas, the City's Housing and Community Investment Department (HCID) 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, City Council File Number 13-1395 dated April 8, 2014, approved the 40th Program Year Action Plan and authorized a total of _____ Dollars (\$ _____) in CDBG funding (in the form of a service repayment loan) for the payment of Eligible Costs related to _____ ("Project") located at _____ (the "Property"); 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 has been approved by the Los Angeles City Council and the Mayor; and

Whereas, the Project involves a _____ activity in accordance with 24 CFR 570.203 et seq. and/or 570.703 and satisfies a national objective per 24 CFR 570.208 as more fully set forth in Section 202 hereinbelow; and

Whereas, the Project has been established by the City as one of the above-described Programs, and has been approved by the Los Angeles City Council and the Mayor; and

Whereas, the requirements of the California Environmental Quality Act ("CEQA") have been satisfied by _____.

Now, therefore, the City and the Contractor agree as follows:

1. INTRODUCTION

§101 PARTIES TO THE AGREEMENT

The parties to this AGREEMENT, and to whom formal notices, demands and communications shall be forwarded are as follows:

A. The City, represented by:

Rushmore D. Cervantes, General Manager
Housing and Community Investment Department
1200 West 7th Street, Ninth Floor
Los Angeles, California 90017

With copies to:

Olivia E. Mitchell, Assistant Chief
Monitoring and Technical Assistance Division
Housing and Community Investment Department
1200 West 7th Street, Ninth Floor
Los Angeles, California 90017

B. The Contractor, represented by:

§102 SERVICE OF NOTICES

- A. The City's representative identified above is the party authorized to provide written approvals by City to Contractor in reference to matters addressed in this Agreement.
- B. Formal notices, demands, and communications required herein to be given by either party shall be made in writing and may be effected by U.S. Mail or by registered or certified mail, postage pre-paid, return receipt requested and shall be deemed duly served or given when actually delivered, if delivered by Federal Express Mail or other similar overnight courier services which confirms delivery in writing or within three (3) business days after deposit in the U.S. Mail if sent by certified mail, postage prepaid, return receipt requested to the parties shown above.
- C. If the name and/or address of the person designated to receive the notices, demands or communications changes, the affected party shall notify the other party in writing of the change in accord with this section, within five (5) days of the change.

§103 CONDITIONS PRECEDENT TO EXECUTION OF THIS AGREEMENT

- A. Prior to the execution of this Agreement, the Contractor shall submit to the City for approval in writing the following documents:
1. Proof of Insurance as required by the City in accordance with §502 herein and submitted in accordance with the Instructions and Information on Complying with City Insurance Requirements attached hereto as **Exhibit A** and incorporated herein.
 2. An Affirmative Action Plan in accordance with §503 herein and a copy of which is located on the City of Los Angeles' Business Assistance Virtual Network (BAVN) at www.labavn.org.
 3. A Code of Conduct which meets the requirements of §504 herein.
 4. A Project Budget as described in §106(B) herein.
 5. A Performance Schedule as described in §106(P) herein.
- B. Prior to the execution of this Agreement, the Contractor shall provide the City with copies of the documents listed below. Contractor shall provide immediate updates to these documents to the City during the term of the Agreement in the event that the information changes:
1. Contractor's Articles of Incorporation, Limited Liability Company Articles of Organization, General Partnership Statement of Partnership Authority, Certificate of Limited Partnership or Statement and Designation by Foreign Corporation and all amendments thereto, as filed with the Secretary of State.
 2. Contractor's By-Laws or other governing operating agreements and all amendments, thereto, as adopted by the Contractor and properly attested.
 3. Resolutions of Executorial Authority or other corporate action of the Contractor's Board of Directors, or other appropriate documents, properly attested or certified, which specify the name(s) of the person(s) authorized to obligate the Contractor and execute contractual documents, if the authorized person is someone other than Contractor's Corporate President. Contractor shall also submit a copy of a signature specimen(s) on a form provided by the City.
 4. A current list of the Members of the Board of Directors with their individual addresses where they may be reached.
 5. Non-Collusion Affidavit, if applicable.

6. A Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transactions in accordance with §505(A)(13) herein, the form of which is attached hereto as **Exhibit B** and incorporated herein.
7. A Certification and Disclosure Regarding Lobbying in accordance with City Directive 91-3, dated July 27, 1990 and attached hereto as **Exhibit C** and incorporated herein.
8. A current and valid license to do business in the City of Los Angeles.
9. An Internal Revenue Service Taxpayer Identification Number.
10. A Contractor Responsibility Ordinance Questionnaire in accordance with PSC-34 of the Standard Provisions for City Contracts and Los Angeles Administrative Code Section 10.40 et seq.
11. A Certification Regarding Drug Free Workplace Requirements in accordance with §505(A)(14) herein, the form of which is attached hereto as **Exhibit D** and incorporated herein.
12. A Management Representation Statement fully executed in accordance with the City's fiscal policies and attached hereto as **Exhibit E** and incorporated by this reference.
13. A Certification Regarding Notice of Prohibition Against Retaliation attached hereto as **Exhibit I** and incorporated herein by reference. Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.

§104 CONTRACTOR'S ADMINISTRATIVE AND PERSONNEL DOCUMENTS

Contractor warrants that it has adopted, shall retain, and make available upon request from the City, the following documents and their amendments:

- A. Contractor's Financial and Accounting Procedures, which incorporate Generally Accepted Accounting Principles (GAAP) including but not limited to the preparation and submission of invoices, reconciliation of cash on-hand and earnings with City records, reporting and tracking of customer activity and earnings, repayment of unearned funds, preparation for the resolution of audits and inspections, inventory control, reporting and tracking of program income. This shall be made available to the City upon request.
- B. Contractor's Personnel Policy, which incorporates due process protection of standard personnel procedures, and which the Contractor agrees to abide by in the performance of this Agreement.

C. Agreements with Other Funding Sources:

A copy of any agreements between the Contractor and other public or private organizations that directly impact the activities funded under this Agreement shall be kept on file at the Contractor's offices and be provided to the City upon contract execution. Contractor shall also notify City of any default, termination, or finding of disallowed costs under these agreements. Contractor warrants that no other funding source will be billed for services that are provided and paid for by the City under this Agreement.

D. Board of Director's Meeting Minutes.

§105 CONTRACTOR'S DUTY TO NOTIFY CITY OF CHANGES

- A. Within sixty (60) days of Contractor becoming aware of same, Contractor agrees to provide the City with written notice of any facts that may materially affect the performance of Contractor under this Agreement or impact the City's decision to continue funding under this Agreement. Among the items to be disclosed are: any amendment(s) to Contractor's Articles of Incorporation or By-Laws; move to dissolve or transfer any assets derived from the CDBG funds provided under §301 of this Agreement; negotiations leading to the sale, merger, or acquisition of the Contractor; debarment or contract termination by any other public entity; and/or any findings regarding the Contractor's administration of the CDBG or any other public funds.
- B. Contractor shall notify the City within five (5) days of changes affecting this Agreement, including any amendments of documents, actions that would change Contractor's legal status, any action that may materially change the performance of this Agreement (i.e. bankruptcy), or a change in Contractor's corporate name.

§106 DEFINITIONS

The definitions of words used in this Agreement are as follows:

- A. "Agreement" means this Agreement entered into by and between the City and the Contractor.
- B. "Budget" or "Project Budget" means a detailed line item breakdown of construction and soft costs for completion of the Project, as identified in Section 301 herein, including identification of the sources and uses of all funds for construction of the Project.
- C. "CFR" means the Code of Federal Regulations.
- D. "City" means the City of Los Angeles, a municipal corporation.

- E. "Contractor" means _____.
- F. "Day or day" means calendar days, including weekends and holidays, unless otherwise specifically provided herein.
- G. "Effective Date" means the date stamped by the City Clerk on this Agreement.
- H. "Eligible Costs" means those reasonable and eligible costs which are, or were, incurred for the development of the Project and which the City is authorized by the CFR to either pay or to provide reimbursement to Contractor in accordance with the Budget and which are otherwise allowable under Section 403 herein.
- I. "Funds" or "CDBG Funds" means the CDBG funds provided by HUD pursuant to 40th Year (2014-2015) Housing and Community Development Consolidated Plan.
- J. "Subcontract(s)" means those subcontracts entered into for the performance of this Agreement.
- K. "FTE" means full-time equivalent jobs.
- L. "Grant" means the funds provided to the Contractor pursuant to this Agreement.
- M. "Grant Amount" or "Grant Funds" means CDBG funds of up to _____ provided by the City to Contractor to fund Eligible Costs pursuant to the terms of this Agreement.
- N. "HUD" or "Grantor" means the U.S. Department of Housing and Urban Development.
- O. "LMI" means low- and moderate-income persons based on HUD determined income schedule, subject to change from time to time.
- P. "Performance Schedule" means a summary of the primary benchmarks to be achieved by the Contractor for completion of the Project and meeting the national objective of fulfilling the service requirements. The Performance Schedule shall identify the dates, milestones and/or time periods by which the obligations set forth herein for completion of the Project must be accomplished and shall be attached hereto as **Exhibit G** and incorporated herein by reference.
- Q. "Project" means the eligible activities as fully described in Section 203 herein.
- R. "Promissory Note" means a limited recourse promissory note from the Contractor, with the City named as beneficiary, for up to _____ dollars (\$_____) substantially in the form which is attached hereto as **Exhibit H** and incorporated herein.

- S. "Property" means that certain real property located at _____ .
- T. "Project Completion Date" means the date on which the City of Los Angeles Department of Building and Safety issues a Certificate of Occupancy for the Project. [Tailor as appropriate]

2. TERM, NATIONAL OBJECTIVE, CONTRACTOR REQUIREMENTS

§201 TERM

- A. The term of this Agreement shall be from _____ through _____ and at the City's sole discretion, any additional time as may be necessary to close out activities, provided that said term is subject to the provisions of this Agreement. Performance shall not commence until the Contractor has obtained the City's approval of required documents described in this Agreement, and is in receipt of those other documents as described in this Agreement.
- B. The City may, at its sole discretion, agree to extend this Agreement and/or provide additional funds to Contractor. Funding for contract extensions will be based on the availability to the City of State and Federal funds, and upon the Contractor's successful performance of all terms of this Agreement.

§202 IDENTIFICATION OF PROJECT ELIGIBILITY/NATIONAL OBJECTIVE

- A. This Project is eligible under 24 CFR 570 *et seq.* as follows (indicate all appropriate letters and sub-numbers; Project may be eligible under several criteria):

201 (a-q) _____	204 (a) _____
202 (a-f) _____	205 (a) _____
203 (a-c) _____	206 (a-h) _____

- B. All projects funded with HCDBG funds must meet one (1) of three (3) national objectives. This project meets the following national objective [check only one (1)]:

- 1. _____ Activities benefiting LMI persons under 24 CFR 570.208(a)
 - a) _____ Area-wide benefit project affecting _____ percent LMI persons as indicated in the 2010 Census.
 - b) _____ Limited-Clientele activities: 570.208(a)(2) A _____; B _____; C _____; D _____
 - c) _____ Housing activities

- d) _____ Job Creation activities that are designed to create jobs where at least 51% of the FTE jobs shall involve the employment of LMI persons.
2. _____ Activities, which aid in the prevention or elimination of slums or blight, under 24 CFR 570.208(b).
- a) _____ Activity is located in a slum or blighted area, which has been (check one):
- _____ Designated as a Redevelopment Project Area;
- List conditions of slum or blight to be addressed by the project. (Complete only for projects qualifying under 570.208(b) (1), prevention or elimination or slums or blight.)
- b) _____ Activity is located outside a slum or blighted area, but qualifies under spot slum and blight conditions.
- c) _____ Activity will address slum or blight in an urban renewal/redevelopment area.
3. _____ Activities designed to meet community development needs having a particular urgency, under 24 CFR 570.208(c).

§203 CONTRACTOR DUTIES AND REQUIREMENTS

A. General Statement of Work to be Performed by Contractor

The Contractor is [insert project description].

B. General Requirements

1. The Contractor shall, in furtherance of this Agreement: (*SELECT ONLY APPLICABLE*)
 - a. ___ Acquire real property and improvements, and/or
 - b. ___ Renovate an existing building, and/or
 - c. ___ Construct a new facility, AND
 - d. ___ All specific activities contained in Subsection C, Specific Requirements of the Contractor.
2. The Contractor shall use the CDBG Funds for Eligible Costs related to the Project subject to the terms and conditions of this Agreement. It is further understood that there is neither an expressed, nor implied assurance that

the City will provide further funding to the Contractor beyond the completion of this Agreement.

3. The expenditure of Grant Funds under this Agreement is subject to the procurement provisions provided for in 24 CFR 85.36 and this Agreement.

C. Specific Requirements of the Contractor

In furtherance of the general requirements, the Contractor shall perform, but not be limited to the following tasks:

1. Comply with the requirements delineated for the Contractor in its subcontracts with the Architect for architectural services and with the General Contractor for construction/rehabilitation services. Unless previously approved by the City, the American Institute of Architects (AIA) Agreement B 141 between the Owner and Architect, and between the Owner and General Contractor, AIA A101, or the appropriate AIA form shall be used. Additionally, all subcontract agreements must be approved by the City prior to finalization of the subcontract; shall adhere to the terms and conditions set forth in this Agreement; and are superseded by this Agreement in case of conflicting requirements or obligations.
2. Assure that reports, permits, forms, certifications, and other documents required by federal, state, and local requirements be submitted expeditiously to various governing or regulatory bodies to avoid delays in completing the general requirements of this Agreement.
3. Identify and provide corrective action on those issues or barriers that impede or delay the completion of the Project as defined in this Agreement. Contractor shall notify the City, in writing, within 10 working days of discovering those issues or barriers, and provide a corrective action plan of resolution with sub-activities and milestone completion dates. Contractor shall impose a duty on all its subcontractors to do the same.
4. Assure that the Architect and/or the General Contractor and their subcontractors comply with all applicable United States, State of California, County of Los Angeles, and City statutes, rules, regulations, and reporting requirements in the completion of the General Requirements of the Contractor as defined in this Agreement.
5. Designate a person to act as the Contractor's representative prior to the execution of the Architect and/or General Contractor agreements to carry out the responsibilities of the "Owner" in those agreements.
6. Prepare the plans and specifications of the Project so that construction can be completed within the available construction budget, and the Performance Schedule.

D. Description of Real Property

The real property and improvements to be affected by this Agreement are located at

This legal description is delineated on accompanying map in Exhibit _____, and is made a part hereof for reference purposes.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

E. Specific Requirements of Construction/Renovation/Rehabilitation

The following construction/renovation/rehabilitation activities shall be completed:

a.

b.

c.

d.

Specific activities enumerated above can be eliminated, expanded or modified with prior City review and approval. It is understood by both parties that the City makes no commitment to increase funding should conditions change which would preclude the completion of the elements listed as activities in this section.

F. Notice to Proceed

Before starting construction, the Contractor shall obtain a Notice to Proceed authorizing the start of construction of the Project. The Contractor shall not authorize or otherwise permit commencement of construction-related activities, including, but not limited to, grading or excavation, of the Property before obtaining the Notice to Proceed. Concurrently with Contractor's request to HCID for the Notice to Proceed, Contractor shall submit to HCID proof that the required construction-related insurance and bonds are in place and have been approved by the City.

G. Service Repayment/Promissory Note

1. Prior to the release of any funds under this Agreement, the Contractor shall execute a Promissory Note in favor of the City of Los Angeles for an amount of _____ (Council authorized) _____ Dollars (\$ _____) in a form approved by the City (the "Promissory Note" or the "Note"). The Promissory Note shall be secured by: (a) a Deed of Trust with the power to sell the real property described in §203 D, above (the "Real Property") in favor of the City; or, (b) an Assignment of Lessee's Interest in Lease with the power to assign Contractor's interest in the lease of the Real Property to the City; and (c) any other instrument that the City deems appropriate, in its sole discretion, to secure the terms of the Promissory Note.
2. This Agreement and the Promissory Note provides that the Contractor shall repay the amount loaned under this Agreement by providing services to the City, as described more fully in §203 and ("Services"), and hereafter called "Service Payback".
3. Service Payback value is equal to _____ Dollars (\$ _____) for each year that Contractor provides continuous services as described in §203. Notwithstanding the foregoing, in no event shall the Service Payback period be less than five (5) continuous years pursuant to CDBG regulations. For this Agreement, Contractor is receiving _____ Dollars (\$ _____) and the Service Payback period is _____ years.
4. The Service Payback period shall commence within two (2) months of the Project Completion Date. The Project Completion Date is defined in §106.
5. The Contractor is required to notify the City in writing by certified mail within five (5) days of the date it commences Services. If the Contractor fails to notify the City of the date it commenced Services, the City may, at its sole discretion, determine the start date for Service Payback and notify Contractor in writing of this date.
6. The Parties agree that the City may determine that the Contractor has committed a material breach of the Agreement and pursue all remedies in law and equity, if any of the following occur:
 - a. Service Payback does not commence within six (6) months of Project Completion Date; or,
 - b. Services are not provided on a continuous basis as described in §203 and §601 above; or,
 - c. Contractor has not initiated and pursued the Project diligently and in good faith, such that the City is unlikely to receive any Services within two (2) years of the execution of this Agreement.

7. The Contractor may purchase the City's interest in the Project's Real Property as follows: (1) within the first five (5) consecutive years of service payback, as described herein, for the current fair market value of such interest in accordance with 24 CFR 570.503(b)(7); or (2) subsequent to the first five (5) consecutive years of Service Payback for an amount to be negotiated between the City and the Contractor, but not less than the amount of unamortized Service Payback, as determined by the City.
8. When the Contractor has fully complied with all the aspects of this Agreement and the Promissory Note, the City's interest shall be zero and the City shall re-convey the aforesaid Deed of Trust, or reassign the aforesaid Conditional Consent to Assignment of Lessee's Interest in Lease to the Contractor.
9. The Contractor shall maintain public liability and comprehensive fire insurance, naming the City as co-insured, covering the real property described herein. The insurance coverage shall be subject to approval by the City and comply with **Exhibit A** of this Agreement. This provision shall remain applicable throughout the period of the Promissory Note. The Contractor shall purchase the insurance coverage at its own expense.

H. Acquisition (Not applicable)

1. Prior to making an offer to purchase real property, the Contractor shall determine the costs of acquiring the property by having the property appraised consistent with the Federal Acquisition Regulation (Title 48 Code of Federal Regulations).
2. The Contractor shall select at least one (1) appraiser who is State-certified, or who is included in the City's list of approved appraisers. Contractor must enter into an appropriate, legally binding subcontract for the appraisal that incorporates this Agreement by reference. If City funds pay for the appraisal, selection of the appraiser is subject to Exhibit J-Subcontract and Procurement Procedures.
3. After receiving the City's approval, the Contractor shall make a written offer to purchase the selected property and enter into a purchase agreement with the owner of the property. The Contractor shall develop escrow instructions and submit them to the City for approval prior to entering into escrow. The City may at its option submit its own escrow instructions.

I. Subcontracting, Procurement

Contractor shall comply with the subcontracting and procurement requirements set forth in **Exhibit J**, attached hereto and incorporated herein by reference, and the following:

1. Require the architect, general contractor and its subcontractors on the Project be licensed by the State of California.
2. Adhere to the competitive bid requirements of 24 CFR 85.36 and requirements herein for Subcontracts or for any other expenditure for which the Contractor seeks payment or reimbursement as an Eligible Cost.
3. Require the architect, general contractor and subcontractor(s) to maintain insurance as required by the City.
4. Meet all applicable requirements of federal, state and local government agencies for Project design documents.

J. Bidding and Construction

In addition to the Contractor's obligation to comply with all federal bidding procedures for federally funded projects in its solicitation and advertisement of bids for this Project:

1. The Contractor shall submit to HCID a copy of all responses to the bid process for Subcontract(s).
2. For Subcontract(s) the Contractor certifies that it has selected the lowest, responsive and responsible bidder and has or shall forward the bidder's name, address, and State of California license number to the City. Contractor represents that such selection was in compliance with any and all applicable federal and state regulations, some of which are set forth in Exhibit J.
3. The Contractor shall provide the City required Performance, Labor and Material Bonds, Insurance, and other required documents.
4. Prior to commencement of construction, the Contractor shall secure and pay for any necessary approvals, easements, and assessments required for construction.
5. The Contractor, with the cooperation of the general contractor shall, upon completion of construction and prior to the receipt of the final payment, submit to the HCID the following:
 - a. Final Certificate of Occupancy from the Los Angeles Department of Building and Safety.

- b. Submission of unconditional lien releases from the Funded Subcontract(s).
- c. Recorded Notice of Completion, if applicable.

K. Prevailing Wage Requirements

The Contractor shall cause the general contractor and all subcontractors to pay the higher of (i) prevailing wages in the construction of the Project as those wages are determined pursuant to the State of California Labor Code Section 1720 *et seq.* and implementing regulations of the State of California Department of Industrial Relations, or (ii) as those wages are determined pursuant to the federal Commercial Davis-Bacon Act (40 USC 276a-7) (29 CFR, Part 5.0) and related Federal Acts. The Contractor shall and shall cause the general contractor and all subcontractors to comply with the other applicable provisions of the State Labor Code Section 1720 *et seq.* and implementing regulations of the State Department of Industrial Relations. The Contractor shall and shall cause the general contractor and all subcontractors to keep and retain such records as are necessary to determine if such prevailing wages have been paid as required pursuant to State Labor Code Sections 1720 *et seq.* and/or applicable federal laws and regulations. Copies of the currently applicable per diem prevailing wages are available from the City of Los Angeles, Public Works Department. During the construction of the Project, the Contractor shall or shall cause all the Contractor's contractors and subcontractors to post at the Project property the applicable prevailing rates of per diem wages. Contractor shall indemnify, hold harmless and defend (with counsel reasonably acceptable to the City) the City against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including the Contractor, its contractors, and all its subcontractors) to pay prevailing wages as determined pursuant to Labor Code Section 1720 *et seq.* and implementing regulations, as well as applicable federal laws and regulations, or the failure to comply with other applicable provisions of Labor Code Section 1720 *et seq.* and implementing regulations of the Department of Industrial Relations, as well as applicable federal regulations, in connection with Project construction or any other work undertaken or in connection with the Project.

Any contract and subcontract entered into by the Contractor relating to this Project, to the extent allowed hereunder, shall be subject to the provisions of this section.

L. Quality of Work

The Contractor shall ensure that the general contractor constructs the Project in conformance with the City's construction standards and shall employ building materials of a quality suitable for the requirements of the Project. The Contractor shall ensure that the Project is in full conformance with all applicable local, State, and federal statutes, regulations and building codes.

M. Hazardous Materials

1. Representations and Warranties

Based on the representations of the Property's owner, and reasonable investigation and inquiry, the Contractor represents that to the best of its knowledge, and except as previously disclosed and acknowledged in writing by the City or as disclosed in reports based on environmental audit(s) performed on the Project and submitted to the City, that (a) the Project is not and has not been a site for the use, generation, manufacture, transportation, storage, or disposal of Hazardous Materials in violation of Federal or State law; (b) the Project is in compliance with all applicable environmental and health and safety laws, regulations, ordinances, administrative decisions, common law decisions, whether federal, state, or local, with respect to Hazardous Materials, including those relating to soil and groundwater conditions ("Hazardous Materials Laws"); (c) there are no claims or actions pending or threatened with respect to the Project by any governmental entity or agency or any other person relating to Hazardous Materials; and (d) there has been no release or threatened release of any Hazardous Materials on, under, or near the Project, including in the soil, surface water, or groundwater under the Project, or any other occurrences or conditions on the Project or any other real property that could cause the Property or any part thereof to be classified as a "hazardous waste project" or as a "border zone property" under California Health and Safety Code Section 25220, et. seq., or regulations adopted therewith.

2. Notification to the City

The Contractor shall promptly notify the City in writing of: (a) the discovery of any concentration of amount of Hazardous Materials on the Project requiring notice to be given to any governmental entity or agency under Hazardous Materials Laws; (b) any knowledge by the Contractor, after verification of the veracity of such knowledge to the Contractor's reasonable satisfaction, that the Project does not comply with any Hazardous Materials Laws; (c) the receipt by the Contractor of written notice of any Hazardous Materials claim; and (d) the discovery by the Contractor of any occurrence or condition on the Project or any real property located within 2,000 feet of the Project that could cause the Project or any part thereof to be designated as a "hazardous waste" property or as a "border zone property" under California Health and Safety Code Sections 25220, et seq., or regulations adopted therewith.

3. Use and Operation of Project

The Contractor shall not cause any agent, employee, subcontractor, or any authorized user of the Project to use the Project or allow the Project to be used for the generation, manufacture, storage, disposal, or release of Hazardous Materials in violation of any applicable Hazardous Materials Laws.

The Contractor shall comply and cause the Project to comply with the Hazardous Materials Laws.

4. Remedial Actions

If the Contractor has actual knowledge of the presence of any Hazardous Materials on the Project, exceeding governmental allowable levels, the Contractor shall, at no cost or expense to the City, perform, or cause to be performed all handling, treatment, removal, storage, decontamination, cleanup, transport, disposal or other remedial action, if any, required by any Hazardous Materials Laws or by any orders or requests of any governmental entity or agency of any judgment, consent decree, settlement, or compromise with respect to any Hazardous Materials claims. The foregoing, however, shall be subject to the Contractor's right to contest below.

5. Right to Contest

The Contractor may contest in good faith any claim, demand, levy or assessment under Hazardous Materials Laws if: (a) the contest is based on material question of law or fact raised by the Contractor in good faith; (b) the Contractor promptly commences and thereafter diligently pursues the contest; (c) the contest shall not materially impair the taking of any remedial action with respect to such claim, demand, levy or assessment; and (d) if requested by the City, the Contractor shall deposit with the City any funds or other forms of assurance the City in good faith from time to time determines appropriate to protect the City from the consequences of the contest being unsuccessful and any remedial action then reasonably necessary. No event of default shall be deemed to exist with respect to any claim, demand, levy, or attachment being contested by the Contractor under the conditions of this section.

6. Environmental Indemnity

The Contractor shall defend, indemnify, and hold the City free and harmless against any claims, demands, administrative actions, litigation, liabilities, losses, damages, response costs, and penalties, including all costs of legal proceedings and reasonable attorney's fees, that the City as a lender, may directly or indirectly sustain or suffer as a consequence of any inaccuracy or breach of any representation, warranty, agreement, or covenant contained in this Agreement with respect to Hazardous Materials, or as a consequence of any use, generation, manufacture, storage, release or disposal (whether or not the Contractor knew of same) or any Hazardous Material occurring prior to or during the Contractor's use or occupancy of the Project.

N. City's Interest in Continued Use of the Facilities and Improvements

The parties recognize that it is in the best interest of all concerned that the expanded facility be utilized for the intended purpose of providing services to City residents of primarily low and moderate income or limited clientele in accordance with Part IV, §570.208 of the Community Development Block

Grant Rules and Regulations, and without regard to race, religion, national origin, ancestry, sex, and where applicable, to age, or physical handicap. Any fees charged for services or donations must not restrict or limit accessibility or services to low and moderate income individuals or families.

1. The Contractor shall utilize the facility for the purpose of providing (as authorized by Council/Con Plan) services between the hours of and Monday through Friday, for a period of from the date(s) cited by the Contractor in the Contractor's notice to the City that services began pursuant to §203 F. herein, to serve a minimum eligible City residents per month.
2. The client services to be provided by the Contractor through the facility shall include, but not be limited to:

a.

b.

The Contractor shall maintain and retain during the entire service repayment period, subject to City review, a record of each of the clients served which shall include, but not be limited to, the services rendered, residency status, the individual and/or family income, sex, age, ethnicity, and the fee and/or donations received in lieu of such fee.

3. The Contractor shall submit to City on a quarterly calendar period the following information on the City-approved report format attached hereto as **Exhibit** Quarterly Participant Report Form which shall be due on the 10th day of the calendar month following the end of the preceding quarterly period:
 - a. The number of clients served per quarter during the reporting period and their ethnicity.
 - b. The number of clients served during the reporting period that are low and moderate income.
 - c. The types of services provided including any modifications in services provided.
 - d. Status of any building upkeep or maintenance problems, that prevents or hampers the continuation of the aforementioned client services and, if any, a corrective action plan including costs, tasks, and timetables.
 - e. Status of any program modifications previously approved in the aforementioned client services and, if any, a corrective action plan including tasks, costs, and timetables.

4. If the facility is a shelter for homeless persons, Contractor shall assure that the facility and services have bilingual capability (English/Spanish). Contractor shall also provide an accessible resource to interpret the needs of shelter residents who are fluent in other languages, but do not speak English. Said resource may be in the form of paid staff (regular or on-call) or in the form of volunteer help. Contractor shall provide written policy directive to city detailing its method of providing bilingual assistance to its residents.

Contractor also shall provide a written policy to City detailing procedures for assuring that the shelter residents are free from illegal use, possession and/or distribution of all non-medically prescribed drugs and/or consumption of any alcohol beverage.

5. Any modifications to the aforementioned types of community services, hours, and days of operation must be reviewed and approved by the City prior to the implementation by the Contractor.

O. Termination of the City's Interest

The City shall terminate its interest when the Contractor completes adherence to the required service payback as stipulated in this Agreement and/or City Promissory Note. Upon evidence of complete adherence, the City shall notify the Contractor of the termination of the City's interest. In addition, the City shall:

1. Relinquish title or interest to the above-described real property by duly reconveying or reassigning and properly recording such reconveyance or requirements.
2. Relieve the Contractor of further reporting requirements.

P. Penalties.

In addition to any other remedies or penalties set forth herein, if, within five (5) years after the termination of this Agreement, the City determines that the Contractor has changed the use of the Project within the meaning of 24 CFR 570.505, to a use that HCID has not approved in advance and in writing, City may require the Contractor under 24 CFR 570.505(b) to pay the City an amount equal to the current fair market value of the Property, less any portion of that value attributable to expenditures of non-CDBG funds for the improvements to the Property.

Q. Volunteers

Contractor must receive prior HCID approval for use of volunteers in conducting construction-related activities provided for in this Agreement.

Such uses shall be subject to all federal, state and local laws, and regulations and other restrictions as determined by the City.

R. Relocation

If and to the extent that the development or operation of the Project results in the temporary or permanent displacement of any occupant at the Property and relocation is required, then Contractor is responsible for the payment and/or provision of relocation benefits, but any such costs may be paid from the funds provided through this Agreement. Contractor is required to provide full benefits, including advisory services, moving expenses and replacement housing as specified in Uniform Relocation Assistance and Real Property Acquisitions Policies Act and HUD Handbook 1378. Contractor shall assist tenants in filing claims using the HUD claim form and will attach supporting documents to each claim form (lease agreements or hotel receipts and utility bills, proof of income where required). Contractor will file a report monthly on the status of the move and the payments. The Contractor will maintain files on each tenant and will make them available to City or HUD staff upon request. Relocation and property acquisition shall be conducted in compliance with pertinent federal, state and local requirements including the Federal Acquisition Regulation (Title 48 Code of Federal Regulations).

S. Attendance at City Meetings

The Contractor shall attend all meetings as identified by the City. The Contractor may be excused from attendance only by prior consent of the City.

3. COMPENSATION

§301 CONTRACTOR COMPENSATION

A. Compensation

1. The City shall pay to the Contractor an amount not to exceed _____ Dollars (\$_____) for complete and satisfactory performance of the terms of this Agreement, subject to the provisions of this Agreement. The following Project Budget Summary is the total of the planned funds and expenditures for the Agreement period.

PROJECT BUDGET SUMMARY

COSTS/FUNDS	City CDBG Funds	Contractor Funds:	CDBG Program Income (if any)	Estimated TOTAL COST/FUNDS	FISCAL NOTES
1000—City Costs	\$			\$	\$
5000--Capital Costs	\$	\$		\$	CF XX
Total Project Costs/Funds	\$	\$		\$	

2. Any disbursement of Grant Funds shall be subject to a determination that such expenditure is consistent with the Project Budget and Performance Schedule and is for an Eligible Cost which was incurred in conformity with this Agreement and all applicable provisions of the CFR and City laws and policies. Contractor shall promptly provide to HCID for approval, any and all modifications or changes to the Project Budget and Performance Schedule. Any such modified Project Budget and/or Performance Schedules not approved by HCID in writing shall be deemed unapproved, and all such unapproved costs for which Grant Funds are used shall be deemed ineligible costs and promptly returned to HCID.

3. Funding as set by the foregoing subsections and the Project Budget is subject to change in accordance with the availability of Grant Funds provided to the City by the Grantor and the City reserves the right to change the amount of compensation set forth herein accordingly. In the event of any change in the amount of CDBG funds that Contractor is scheduled to receive hereunder, the obligations of Contractor shall be equitably adjusted commensurate with the change in the amount of the CDBG funds received by Contractor.

4. The City assumes no responsibility to pay for salaries or other expenses not specifically enumerated in this Agreement and as detailed in the Project Budget or Project Budget Summary. It is understood by both parties that the City makes no commitment to fund this Project beyond the term of this Agreement.

5. The Contractor shall report to the City and provide evidence of all other funding sources that supplement or augment activities set forth by this

Agreement, including those Contractor funds cited in the Project Budget and Project Budget Summary.

6. Contractor warrants that any applicable discounts have been included in the costs to the City.

B. Funding of Agreement

Funding for this Agreement, or any extension thereof, is subject to the continuing availability of federal funds for this program to the City and Contractor's continued performance of all terms and conditions herein to the satisfaction of HCID. This Agreement, and all of the Contractor's obligations as set forth herein, may be terminated immediately upon written notice to the Contractor of a loss or reduction of federal grant funds. In the event of such termination, this Agreement and all obligations of Contractor and the City hereunder shall be deemed void ab initio.

The City shall have no funding or any other obligation under this Agreement until the Contractor provides to HCID the documents described in this Agreement and such other documents that HCID may request from Contractor from time to time.

C. Payment to the Contractor

1. The City makes no commitment to fund the Project beyond the initial term of this Agreement. The City shall review Contractor's performance on a periodic basis. In the event the City determines that the Contractor is not meeting its proposed performance measures, the City may unilaterally reduce the compensation set forth above in compliance with the provisions set for the in this Agreement, upon written notice to Contractor and as set forth by a written amendment which shall also adjust the Contractor's obligations as set forth herein accordingly. In the event of such adjustment, Contractor's reciprocal obligations related to its receipt of CDBG funds hereunder shall be equitably adjusted.
2. Contractor shall be reimbursed for Eligible Costs incurred under this Agreement up to the amount of the Grant. All payments shall be on a reimbursement basis in accordance with the provisions set forth below. HCID reserves the right to make direct payments to any subcontractor in its sole and absolute discretion.
3. Contractor shall request reimbursements by submitting to the City: (a) a request for reimbursement; (b) an AIA Certificate of Payment, (c) wage compliance documentation, (d) lien releases, as appropriate; and (e) all other documents as may be required by City to support the contractor's request for reimbursement. Contractor shall be reimbursed by City after City has received the documentation cited herein and all other required documents and after City determines that Contractor has incurred and expended funds for reasonable and allowable costs under this Agreement. City shall retain up to 10% of City-provided Project funding until Contractor provides sufficient

evidence of full labor compliance, full payment to all Project contractors and suppliers, completion of the Project or acquisition pursuant to State law, and submission of City close-out documents.

4. Contractor shall submit a final close-out fiscal report showing final expenditures and other documents as required by City within forty-five (45) days after the termination date of this Agreement.
5. Eligible Costs shall be determined pursuant to the provisions set forth in §403 of this Agreement, Allowable and Unallowable Costs.
- D. Indirect Costs: Payment for indirect costs, if any, shall be released in accordance with instructions stated in the Federal Cognizant Agency's approval letter of indirect cost rates on file with the City pursuant to the Single Audit Act and 2 CFR Chapter 1, Chapter 2, Part 200, et al.
- E. Applicable Discounts: Contractor warrants that any applicable discounts have been included in the costs to the City.
- F. Non-CDBG Project Funding Requirements: Contractor shall document upon the invoice the required match of non-federal funds, if applicable. If required to provide a match of funds, as set forth above in this compensation section of this Agreement, Contractor shall document upon each invoice the funds being matched.

4. METHODS AND PROCEDURES GOVERNING PAYMENT

§401 FUNDING REDUCTIONS AND WITHHELD PAYMENTS

- A. Unearned payments under this Agreement may be suspended or terminated if Grant Funds to the City are suspended or terminated, or if the Contractor refuses to accept additional conditions imposed on it by the Grantor or the City.
- B. The City has the authority to withhold funds under this Agreement pending a final determination by the City of questioned expenditures or indebtedness to the City arising from past or present agreements between the City and the Contractor. Upon final determination by the City of disallowed expenditures or indebtedness, the City may deduct and retain the amount of the disallowance or indebtedness from the amount of the withheld funds.
- C. Payments to the Contractor may be withheld by the City if the Contractor fails to comply with the provisions of this Agreement.
- D. During the performance of this Agreement, the City shall have the authority to review Contractor's actual project expenditures and work performance. Should the City determine that Contractor is in noncompliance with any actual obligations, the City shall, at its discretion, take appropriate action as provided in this Agreement.

- E. In the event that HUD grant funds to the City are reduced, suspended, or terminated by the Grantor, the City reserves the right to reduce, suspend, or terminate the funds provided for in this Agreement accordingly. In the event of any such reduction, suspension or termination, Contractor's reciprocal obligations related to the funds shall be equitably adjusted commensurate with the change in the amount of funds received by Contractor.

§402 PAYMENT OF FUNDS FOR WORK PERFORMED PRIOR TO COMMENCEMENT OF THIS AGREEMENT

The Contractor shall not be paid for any work performed prior to commencement of this Agreement.

§403 ALLOWABLE AND UNALLOWABLE COSTS

- A. To be eligible for payment under this Agreement, costs must be made in compliance with 2 CFR Chapter 1, Chapter 2, Part 200, et al., and with the principles set forth below:
1. Be necessary and reasonable for the proper and efficient performance of this Agreement and in accordance with §301 of this Agreement. The City shall have final authority to determine in good faith whether expenditure is "necessary and reasonable".
 2. Conform to the limitations within these General Conditions and to any governing statutes, regulations and ordinances.
 3. Be fully documented and determined to be in accordance with standard accounting procedures.
 4. Not be included as a cost or used to meet cost sharing or matching requirements of any other government funding source in either the current or a prior period, except when permitted by the respective government funding sources.
 5. Be net of all applicable credits such as purchase discounts, rebates, sales or other income or refunds.
- B. When, in furtherance of this Agreement, the Contractor is granted compensation for the use of real property and/or equipment owned by the Contractor, such compensation shall be computed as provided by 2 CFR Chapter 1, Chapter 2, Part 200, et al.
- C. The following costs, among others, are specifically unallowable:
1. Bad Debts: Any losses arising from uncorrectable accounts and other claims, and related costs.

2. Contingencies: Contributions to a contingency reserve or any similar provisions for unforeseen events.
 3. Contributions and donations.
 4. Entertainment: Costs of amusements, social activities and incidental costs, such as meals, beverages, lodging and gratuities relating to entertainment, or any political or lobbying activity.
 5. Fines and Penalties: Costs resulting from violations of, or failure to comply with Federal, State and local laws and regulations.
 6. Interest and Other Financial Costs: Interest or borrowing (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith.
 7. Membership Expenses: Costs of membership in any organization that devotes a substantial part of its activities to influencing legislation.
 8. Travel: The difference in cost between first-class air accommodations and less-than-first-class air accommodations are not available.
 9. Meeting Attendance: Costs of attending meetings directly related to the performance of this Agreement that are not open for attendance on a non-segregated basis.
 10. Non-competitive Subcontracts: Payments under a subcontract not obtained under competitive bidding procedures, unless specifically waived by the City.
- D. Advancements or reimbursements for expenditures that are determined by the City to be unallowable must be returned immediately to the City.

§404 LIMITATION OF EXPENDITURES

- A. The Contractor shall not expend funds provided under this Agreement prior to the commencement of this Agreement, or subsequent to suspension or termination of this Agreement.
- B. Expenditure shall be made in conformance with the City approved Expenditure Plan, and shall meet criteria established for “allowable costs” under §403 of this Agreement.
- C. Expenditures shall be in direct support of the project that is the subject of this Agreement. The Contractor shall notify the City in writing of any expenditure for items jointly used for any other project(s) and the expenditures shall be apportioned according to the percentage of direct use of this project.

§405 PROGRAM INCOME

- A. Program income is defined as income earned through the activities funded by this Agreement, as more fully defined in 2 CFR 200.80, 24 CFR 85.25 and 24 CFR 570.500(a). Program income includes, but is not limited to: grants; fees that duplicate payments; average daily attendance (ADA) payments earned through program funded activities; and public or nonprofit agency revenues in excess of contract costs.
- B. Interest earned on advances received pursuant to the terms of this Agreement is “program income”. All interest earned must be reported as part of the Contractor’s monthly expenditure report and must be returned to the City quarterly by separate check, made payable to the City, which identifies that the amount represents interest earned on advanced funds.
- C. Any program income must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City’s written direction to the Contractor. At the City’s discretion, program income may be used to augment the Contractor’s program. Use of program income is permitted only by written amendment to this Agreement. Should this use of program income be approved, Contractor shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with City of Los Angeles record retention and audit requirements. The City shall monitor Contractor’s compliance with all program income requirements.
- D. Contractor’s failure to comply fully with program income requirements including any City Directives or regulations shall result in findings of disallowed costs.
- E. The Contractor shall, within 45 days of the expiration of this Agreement, transmit to the City Treasury any, and all program income directly generated by grant funds provided by this Agreement. Any program income on hand when the Agreement expires, or received after the Agreement’s expiration, shall be paid to the City as required by 24 CFR 85.25 and 24 CFR 570.504.

§406 RETURN OF UNEXPENDED FUNDS AND CLOSE-OUTS

- A. The Contractor shall, in accordance with 24 CFR 570.503(b)(7), immediately return/transfer to the City Treasury, either upon completion or termination of this Agreement and in no event later than forty-five (45) days after such completion, expiration, or termination, any and all Grant Funds on hand or unexpended in any manner at the time of such completion, expiration or termination of the Agreement and any and all accounts receivable attributable to the use of such Grant Funds provided under this Agreement. Funds advanced by the City, determined by the City to be in excess of the amount actually required, shall also be returned immediately to the City.

- B. The Contractor shall submit to the City a complete and accurate final close-out invoice of costs and reimbursements for services performed under this Agreement, within 45 days following the termination or completion of this Agreement. Failure by Contractor to comply with the 45-day requirement may result in a unilateral close-out of this Agreement by City based on previous invoices filed with City, and/or the imposition of sanctions as specified herein. Requests for payment after 45 days shall not be paid by the City.

§407 VALIDITY OF FINANCIAL DOCUMENTATION SUBMISSIONS

Financial reports submitted to the City shall be accurate and correct in all respects in accordance with Generally Accepted Accounting Principles (GAAP). Should inaccurate reports be submitted to the City, the City may elect to have the Contractor secure the services of a licensed accounting firm. Cost of such accounting services are to be borne by the Contractor and are not to be reimbursed from the funds authorized by this Agreement unless specifically agreed to by the Contractor and the City in written amendment.

§408 RECEIPT, USE AND ACCOUNTABILITY OF OTHER THAN BUDGETED FUNDS

The Contractor agrees that income funds realized as a result of activities which are funded by this Agreement shall be reported in writing to the City within five (5) working days following the receipt of such funds, except that income funds generated on a regular basis shall be reported as provided in §601 of this Agreement. The Contractor further agrees that all such income funds shall: (1) be the property of the City; (2) be used solely to offset the operating expenses of the activities funded by this Agreement; (3) not be expended without prior written approval of the City unless otherwise provided for by this Agreement; and (4) be subject to all of the provisions of this Agreement.

§409 DEPOSIT, UTILIZATION AND COMMINGLING FUNDS

- A. Funds paid to the Contractor pursuant to this Agreement shall be used exclusively for the activities set forth by this Agreement.
- B. Funds paid to the Contractor pursuant to this Agreement shall not be commingled with other funds administered by the Contractor.

5. STANDARD PROVISIONS

§501 STANDARD PROVISIONS FOR CITY CONTRACTS

Contractor shall comply with the Standard Provisions for City Contracts, which is attached hereto as **Exhibit K** and incorporated herein by reference. The provisions of the body of this Agreement shall prevail over the provisions of the Standard Provisions for City Contracts should there be any inconsistency. The term "contract" as used in the Standard Provisions for City Contracts shall include this Agreement.

§502 INSURANCE**A. General Conditions**

During the term of this Agreement and without limiting Contractor's indemnification of the City, Contractor shall provide and maintain at its own expense a program of insurance having the coverages 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 Gen. 146) in Exhibit A hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles—Instructions and Information on Complying with City Insurance Requirements (Revised 9/06) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: (1) protect City as an Insured or an Additional Interest Party, or a Loss Payee as Its Interests May Appear, respectively, when such status is appropriate and available depending on the nature of the applicable coverages; (2) provide City at least 30 days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and (3) be primary with respect to City's insurance program. Except when City is a named insured, Contractor's insurance is not expected to respond to claims, which may arise from the acts of omissions of the City.

B. Modification of Coverage

City reserves the right at any time during the term of this Agreement 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 the Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

C. Failure to Procure Insurance

All required insurance must be submitted and approved by the City Administrative Officer/Risk Management/Insurance and Bonds prior to the inception of any operations or tenancy by Contractor. The required coverage and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Contractor's insurance broker or agent indicating a good faith effort to place the required insurance and showing, as a minimum, the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, Contractor's failure to procure or maintain required insurance or a self-insurance program during the entire term of this

Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interest and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

D. Workers' Compensation

By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the 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 such times as they may apply during the performance of the work pursuant to this Agreement.

A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

§503 NONDISCRIMINATION 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, denial of family and medical care leave; denial of pregnancy disability leave or reasonable accommodations against any employee or applicant for employment because of such person's race, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity, age, marital status, familial status, domestic partner status, physical handicap, mental disability, medical condition, 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 CFR Part 60).
- B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code Sections 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 not more than One Hundred Thousand Dollars (\$100,000), the Equal Opportunity practices provisions of this Agreement shall be the mandatory contract provisions set forth in 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 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 Section 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, including the filing of all forms required by City.

- 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, ancestry, color, citizenship, national origin, religion, sex, sexual orientation, gender identity, age, marital status, familial status, domestic partner status, physical handicap, mental disability, medical condition, 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 a situation as defined therein.

§504 CONFLICT OF INTEREST

No City-funded Employees as Board Members

The City will not execute any Agreements and/or Amendments with Contractors where an employee (as individual who is paid or receives any financial benefit from funds from the Agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

Code of Conduct

The City requires that all Contractors/Subcontractors adopt a Code of Conduct, which at minimum, reflects the constraints discussed in HCID Directive Number FY 12-0001. No Agreements and/or Amendments will be executed without City approval of this Code of Conduct.

Further, the City requires compliance with the following conflict of interest requirements for all City-funded contractors.

Conflict of Interest

- A. 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 proposed subcontractors and its officers, directors or employees.
- B. The Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractors; 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 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 domestic partner or organization has a financial interest in the subcontract;
2. A 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.

C. Definitions:

1. The term "immediate family" includes, but is not limited to domestic partner and/or 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:
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, 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 subcontractors ownership: partnership interest or other beneficial interest of five (5) percent or more; ownership of five (5) percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
3. A "subcontract" is any agreement entered into for the purchase of goods or services with any funds provided by this Agreement.

D. Minutes of board meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect/benefit in the action.

E. 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, or a party to a subcontract (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).

F. 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.

- G. 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.
- H. 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 or for one (1) year thereafter.
- I. The Contractor has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

§505 COMPLIANCE WITH STATUTES AND REGULATIONS

The Contractor, in performance of this Agreement, shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County and City of Los Angeles, including, but not limited to Title 24 of the CFR, part 570. Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of Grant Funds, and repayment by Contractor to City of any unlawful expenditure. Contractor shall further comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

A. Statutes and Regulations Applicable To All Grant Contracts

1. Office of Management and Budget (OMB) Circulars (Grant Management Circulars)

Contractor shall comply with the provisions of 2 CFR Chapter 1, Chapter 2, Part 200, et al., which provisions supersede OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for Public Agencies or 2 CFR 215 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); and OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

2. Single Audit Act

If Federal funds are used in the performance of this Agreement, Contractor shall adhere to the rules and regulations of the Single Audit Act, 31 USC §7501 *et seq.*; City Council action dated February 4, 1987 (C.F. No. 84-2259-S1); and any administrative regulation or field memos

implementing the Act. The provisions of this paragraph survive expiration or termination of this Agreement.

3. Americans with Disabilities Act

Contractor hereby certifies that it will comply with the Americans with Disabilities Act 42, USC §12101 *et seq.*, and its implementing regulations (ADA), the Americans with Disabilities Act Amendments Act of 2008 (ADAAA) Pub. L. 110-325 and all subsequent amendments, Section 504 of the Rehabilitation Act of 1973 (Rehab Act), as amended 29 USC 794 and 24 CFR Parts 8 and 9, the Uniform Federal Accessibility Standards (UFAS), 24 CFR Part 40, and the Fair Housing Act, 42 USC 3601, *et seq.*, 24 CFR Parts 100, 103, and 104 (FHA), and all implementing regulations. The 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 ADA, the ADAAA, the Rehab Act, the UFAS, and the FHA 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 subcontract entered into by the Contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

4. Political and Sectarian Activity Prohibited

None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.

If this Agreement provides for more than \$100,000 in Grant Funds or more than \$150,000 in loan funds, Contractor shall submit to the City a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with 31 USC 1352. A copy of the Certificate is attached hereto as Exhibit D. No funds will be released to Contractor until the Certification is filed.

Contractor shall file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any Disclosure Form previously filed by Contractor.

5. Records Inspection

At any time during normal business hours and as often as the City, the U.S. Comptroller General of the State of California, through any authorized representative, may deem necessary, Contractor shall make available for examination all of its records, paper or electronic, with respect to all matters covered by this Agreement. The City, the U.S. Comptroller General, and the Auditor General of the State of California, through any authorized representative, shall have the authority to audit, examine, and make excerpts or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

Contractor agrees to provide any reports requested by the City regarding performance of the Agreement.

6. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered on file for all documents specified in this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of five (5) years after completion, termination or expiration of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to an audit, litigation or other actions involving records. The City may, at its discretion, take possession of, retain, and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

7. Subcontracts and Procurement

Contractor shall comply with the Federal and City standards in the award of Subcontract(s).

The Contractor shall submit the subcontract(s) funded under this Agreement to the City for review and approval. The Contractor shall withhold funds to any sub-contractors agency that fails to comply with the terms and conditions of this Agreement and their respective subcontractors' agreement.

8. Labor

Contractor shall comply with the Intergovernmental Personnel Act of 1970 (42 USC §4728-§4763) relating to prescribed requirements for merit systems for programs funded by one (1) of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 CFR 900, Subpart F).

Contractor shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 USC §276a to 276a-7), the Copeland Act (40 USC §276c and 18 USC §874), and the Contract Work Hours and Safety Standards Act (40 USC §327-§333), regarding labor standards for federally assisted construction subcontracts.

Contractor shall comply with the Federal Fair Labor Standards Act (29 USC §201) regarding wages and hours of employment.

None of the funds shall be used to promote or deter union/labor-organizing activities. California Government Code §16645 *et seq.*

Contractor shall comply with the Hatch Act (5 USC §1501-§1508 and §7324-§7328).

Contractor shall comply with provisions of Article 3, Chapter 1, Part 7, Division 2 of the Labor Code of California, the California Child Labor Laws and all other applicable statutes, ordinances, and regulations relative to employment, wages, hours of labor and industrial safety.

9. Civil Rights

Contractor shall comply with all Federal statutes relating to nondiscrimination. These include, but are not limited to:

- a. Title VI of the Civil Rights Act 1964 (P.L. 88-352, 42 USC §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by person with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.;
- b. Title IX of the Education Amendments of 1972, as amended (20 USC 1681-§1683, and §1685-§1686), which prohibits discrimination on the basis of sex;
- c. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 USC §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicaps;
- d. The Age Discrimination Act of 1975, as amended (42 USC §6101-6107), which prohibits discrimination on the basis of age;

- e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
 - f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
 - g. Sections 523 and 527 of the Public Health Service Act of 1912 (42 USC §290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
 - h. Title VIII of the Civil Rights Act of 1968 (42 USC §3601 *et seq.*), as amended, relating to nondiscrimination in the sale, rental or financing of housing;
 - i. Any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made;
 - j. The requirements of any other nondiscrimination statute(s) which may apply to the application;
 - k. P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance; and
 - l. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 USC 2000e).
 - m. The Americans with Disabilities Act 42 U.S.C. §12101 *et seq.* and the Americans with Disabilities Act Amendments Act (ADAAA) Pub.L.110-325 and all subsequent amendments.
 - n. The Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.
10. Relocation Requirements

Contractor shall comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

Contractor shall comply with §104(d) of the Housing and Community Development Act of 1974 (HCD Act). When applicable, §104(d)(2)(A)(iii) of the HCD Act provides relocation assistance to lower-income persons

who are displaced as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit to a use other than a lower-income dwelling in connection with an assisted project. Section 104(d)(2)(A)(i) provides that certain lower-income dwelling units that are demolished or converted to a use other than as lower-income housing be replaced “one-for-one”.

11. Environmental

Contractor shall comply with environmental standards that may be prescribed pursuant to the following:

- a. Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514;
- b. Notification of violating facilities pursuant to EO 11738;
- c. Protection of wetlands pursuant to EO 11990;
- d. Evaluation of flood hazards in floodplains in accordance with EO 11988;
- e. Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 USC §1451 *et seq.*);
- f. Conformity of Federal actions to State (Clean Air) Implementation Plans under §176(c) of the Clean Air Act of 1955, as amended (42 USC §7401 *et seq.*);
- g. Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986;
- h. Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205);
- i. Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and
- j. Section 508 of the Clean Water Act (38 USC 1360).

Contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 USC §1271 *et seq.*) related to protecting components or potential components of the national wild and scenic rivers system.

Contractor shall comply with the Lead-Based Poisoning Prevention Act (42 USC §4822 *et seq.*) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

Contractor shall comply with the Federal Water Pollution Control Act (33 USC §1251 *et seq.*) that restores and maintains the chemical, physical and biological integrity of the Nation's waters.

Contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

By signing this Agreement, Contractor ensures that it is in compliance with the California Environmental Quality Act (CEQA), Public Resources Code §21000 *et seq.*, and is not impacting the environment negatively.

Contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

12. Preservation

Contractor shall comply with §106 of the National Historic Preservation Act of 1966, as amended (16 USC §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 USC §469a-1 *et seq.*).

13. Suspension and Debarment

Contractor shall comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and Contractor shall submit a Certification Regarding Debarment required by Executive Order 12549 and any amendment thereto. Said Certification shall be submitted to the City concurrent with the execution of this Agreement and shall certify that neither Contractor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department head or agency. Contractor shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

14. Drug-Free Workplace

Contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §8102, 28 CFR Part 67; the California Drug-Free Workplace Act of 1990, California Governmental Code §8350-§8357.

15. Animal Welfare

Contractor shall comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 USC §2131 *et seq.*).

16. Contractor must comply with Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

17. Contractor shall assure, pursuant to Public Law 103-333, §507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.
18. Contractor shall administer this Agreement in accordance with OMB requirements contained in the following Circulars: Common Rule, Subpart C, for public agencies, or 2 CFR 215 for nonprofit organizations.
19. 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 claims.
20. In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit.

B. Statutes and Regulations Applicable To this Grant Agreement:

1. Community Development Block Grant Program:

Contractor shall comply with all federal statutes and regulations pertaining to the Community Development Block Grant program,

including, but not limited to 42 USC §5301 *et seq.*, and 24 CFR Parts 84, 85, and 570 *et seq.*

2. Asbestos and Lead-Based Paint:

Laws and regulations pertaining to abatement of asbestos containing materials (ACM) and lead-based paint (LBP) including insuring that all personnel involved in the abatement of removal process of all ACM and LBP will wear the necessary, legally required protective clothing and respiratory gear.

3. Archaeological Sites:

If archaeological sites are determined to be located in the vicinity of the project which is the subject of this Agreement, a halt work condition is required to allow a state certified archaeologist to assess findings and all work to continue in non-archaeological areas.

4. Federal Acquisition Regulation, 48 CFR, Part 31:

5. City of Los Angeles Ordinance 164244 relating to the 1% fee for public art.

C. Statutes and Regulations Applicable to all HUD Funded Agreements:

1. Equal Access to HUD-Assisted or Insured Housing

(a) Eligibility for HUD-Assisted or Insured Housing:

A determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by the Federal Housing Administration (FHA) shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The terms "sexual orientation" and "gender identity" are defined in 24 CFR §5.100.

(b) Prohibition of Inquiries on Sexual Orientation or Gender Identity:

No owner or administrator of HUD-assisted or HUD-insured housing, approved lender in an FHA mortgage insurance program, nor any (or any other) recipient or subrecipient of HUD funds may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing or housing whose financing is insured by HUD, whether renter- or owner-occupied, for the purpose of determining eligibility for the housing or otherwise making housing available.

This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit an individual from voluntarily self-identifying sexual orientation or gender identity. This prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant's sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled. The term "household" is defined in 24 CFR §570.3.

§506 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.

§507 INVENTIONS, PATENTS AND COPYRIGHTS

Contractor shall comply with the requirements set forth in Inventions, Patents and Copyrights, which is attached hereto as **Exhibit L** and incorporated herein by this reference.

§508 REPRESENTATIONS AND RESPONSIBILITIES OF CONTRACTOR

Contractor represents 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.

6. GRANT REQUIREMENTS

§601 REPORTING REQUIREMENT

- A. At such times in such forms as the City may require, there shall be furnished to the City such statements, records, reports, data and information as the City may request pertaining to matters covered by this Agreement.
- B. For any exceptions to the provisions of subsection A of Reporting Requirement, Contractor shall have obtained written approval from the City.
- C. If Contractor's reports or other documentation are not submitted as required, the City reserves the right to withhold payments to the Contractor or to impose other sanctions, at the City's sole discretion.

§602 MAINTENANCE OF RECORDS

- A. Records, in their original form, shall be maintained in accordance with requirements prescribed by the Grantor and the City with respect to all matters covered by this Agreement. Such records shall be retained for a period of five (5) years with the following qualifications:

1. If any litigation, claim or audit is started before the expiration of the five (5) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
 2. Records for non-expendable property acquired with Federal funds shall be retained for five (5) years after its final disposition.
 3. When records are transferred to or maintained by the City, the five (5) year retention requirement is not applicable to the Contractor.
- B. The retention period starts from the date of the submission of the final expenditure report.
- C. Records in their original form pertaining to matters covered by this Agreement shall at all times be retained within the Los Angeles area unless authorization to remove them is granted in writing by the City.

§603 EQUIPMENT RECORDS, IF APPLICABLE

- A. Non-expendable personal property (herein referred to as equipment) acquired pursuant to this Agreement, shall be properly maintained and accounted for as set forth below:
1. A record shall be maintained for each item of equipment acquired for the program. Equipment is non-expendable property, which is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one (1) year or more. A grouping of like items, such as chairs, with an aggregate cost in excess of \$5,000 shall also be controlled and accounted for as equipment, even though the cost of a single item is less than \$5,000. The record shall include: (1) description of the item of equipment, including model and serial number, if applicable; (2) date of acquisition; (3) the acquisition cost or assigned value to the program; and (4) source of acquisition.

The record shall indicate whether the item of equipment was new or used at the time of acquisition. The aggregate of the individual costs shown on the record cards shall equal the balance of the subsidiary cost account for equipment.
- B. All equipment obtained under this Agreement shall have a City identification decal affixed to it. The identification decal, when practical, shall be affixed where it is readily visible.
- C. A physical inventory shall be taken by the Contractor and reconciled with the record card annually or at such other times as the City shall prescribe.

§604 PURCHASE OR LEASE OF EQUIPMENT, IF APPLICABLE

Prior to the purchase or lease of equipment, the Contractor shall receive prior City approval in writing and shall comply with all requirements described in this Agreement.

The term equipment as used in this Agreement shall be defined to mean personal property.

Contractor shall notify the City in writing before using equipment for this Agreement that was or is to be purchased or leased with public funds not provided by this Agreement. Purchase or lease payments for this equipment shall not be made from funds under the terms of this Agreement.

A. Lease of Equipment

A copy of each executed equipment lease agreement shall be submitted to the City before payment. Written amendments to equipment lease shall comply with the conditions set forth in this Agreement.

B. Purchase of Equipment

All property, real and personal, purchased under this Agreement with funds provided in this Agreement shall become the property of the City and shall be returned to the City upon termination of this Agreement, except as provided otherwise by the City in writing. Contractor shall file all Uniform Commercial Code statements for any eligible property purchased with funds from this Agreement and deliver a copy of the filing to the City.

The property shall be used and maintained by the Contractor as follows:

1. Property shall be used solely in the performance of this Agreement.
2. No modifications shall be made to the property without the prior written approval of City.
3. The Contractor shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the property is under the control of the Contractor, except losses, damage or destruction resulting from reasonable wear and tear. Damage, loss, or destruction of the property shall be immediately reported to the City.

C. Purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles require City written approval.

Disposition of non-expendable personal property shall be governed by City Directives, as applicable. All private for profit contractors shall acquire prior City approval before purchasing any non-expendable personal property.

D. Lease of Property or Facilities

All lease agreements shall incorporate the following provisions. Contractor shall amend any current lease agreements to incorporate the following provisions:

1. All leases of property or facilities procured to house a City Program under this Agreement must contain a provision that allows the City, at its sole option, to assume the lease for its remaining term, under the same terms and conditions then in effect, in the event that the City terminates its Contractor's City Agreement or if Contractor abandons the lease.
2. All leases of property or facilities procured to house a City Program under this Agreement must contain a provision, which provides that any improvements made to the facility or property by Contractor inures to the benefit of the City, and the City may elect, at its sole option, to remove the improvements.
3. It is a recommendation that the Contractor, during lease negotiations, request the addition of a section to the lease agreement, whereby the Lessor agrees that if Lessee's grant funding for any calendar year decreases by \$500,000 or more from the previous calendar, Lessee may terminate the lease with 120 days written notice.

A copy of all leases and lease amendments must be reviewed and approved by the City prior to signature and be on file with the City prior to the release of Funds.

Contractor shall not sublease, assign, or amend in any manner leases paid for with funds under this Agreement without prior written City approval.

Contractor shall invoice for only that portion of the lease cost that is allocated to program funded by this Agreement. The Contractor is responsible for collecting any portion of the rent due to Contractor under sublease agreements with partners or other entities.

§605 ACCOUNTING PRACTICES

- A. The Contractor shall maintain a system of internal control in accordance with standard accounting practices.
 1. In accordance with generally accepted accounting principles and City Directives, financial systems shall include:
 - a. Information pertaining to sub-grant and contract awards, obligations, un-obligated balances, assets, expenditures, and income;

- b. Effective internal controls to safeguard assets and assure their proper use;
 - c. A comparison of actual expenditures with budgeted amounts for each sub-grant and contract;
 - d. Source documentation to support accounting records;
 - e. Proper charging of costs and cost allocation; and to be sufficient to:
 - 1. Permit preparation of required reports;
 - 2. Permit the tracing of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions on the use of the funds;
 - f. "Internal Control" for purpose of this Agreement, comprises the plan or organization and all of the coordinated methods and measures adopted within an organization to safeguard its assets, check the adequacy and the reliability of its accounting data, promote operating efficiency, and assure adherence to prescribed management policies.
2. The Contractor shall submit its system of accounting procedures and Internal Control to the City before the City disburses any funds to the Contractor.

§606 DOCUMENTATION OF EXPENDITURES

- A. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible.
- B. No Contractor shall release funds to any subcontractors for reimbursement of costs, until it has received adequate documentation from the subcontractors that the expenditures are reasonable and allowable under the subcontract. All documentation must remain on file at Contractor's office.

§607 AUDITS AND INSPECTIONS

- A. At any time during normal business hours and as often as the Grantor, the U.S. Comptroller General, Auditor General of the State of California or the City may deem necessary, the Contractor shall make available for examination, all of its records with respect to all matters covered by this Agreement. The City, the U.S. Comptroller General, and the Auditor General of the State of California shall have the authority to audit, examine and make excerpts, or transcripts from records, including all Contractor's invoices,

material, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

- B. Access by the City, the State of California, the Department of Labor, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records (including computer records) of the Contractor which are directly pertinent to charges to the program, shall not be denied in order to conduct audits and examinations, and make excerpts, transcripts, and photocopies. This right also includes timely and reasonable access to Contractor's and subcontractors' personnel for the purpose of interviews and discussions related to such documents.
- C. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement. Contractor shall adhere to the rules and regulations of the Single Audit Act P.L. 98-502 and 2 CFR Chapter 1, Chapter 2, Part 200, et al., and any administrative regulation or field memos implementing the Act. When total expenditures under all Federal programs in a fiscal year equal or exceed \$750,000, the Contractor shall conduct or have conducted on an annual basis, audits in accordance with the Single Audit Act of 1984, P.L. 98-502, implementing regulations in 2 CFR Chapter 1, Chapter 2, Part 200, et al., as applicable, (City Council Action dated 2/4/87, C.F. No. 84-2259-S1) and administrative regulations or field memos implementing revisions or updates to the audit requirements. The auditor's reports, prepared in accordance with the aforementioned requirements, and any accompanying management reports on the operation of the Contractor or this Agreement, shall be submitted to the City with nine (9) months after the close of the Contractor's fiscal year.
- D. Contractors who meet the above threshold shall annually subcontract with a qualified independent auditor.
- E. The audit is to be conducted annually to test the fiscal integrity of financial transactions as well as compliance with the applicable laws and regulations.
- F. Contractors receiving funds solely from the City shall annually subcontract with a qualified independent auditor unless notified in writing by the City that an auditor will be provided.
- G. If the auditor's report or management report identifies deficiencies with internal controls or contract compliance, the Contractor shall prepare and submit a corrective action plan along with the auditor's reports. The plan shall address all deficiencies and provide specific details on corrective actions to be taken along with the date the action was or will be implemented.
- H. If the expenditures under all Federal programs are less than \$300,000, Contractor shall permit the City to conduct a performance review of this Agreement and all related records in accordance with Directives received from the City in the event that the Contractor is operating on a for-profit basis, the Contractor shall conduct a program-specific annual independent financial

and compliance audit in accordance with generally accepted government auditing standards, or an organization-wide audit that includes coverage of the WIA program within its scope. In the event the Contractor has only Performance Based or Fixed Unit Price contracts, a written request may be made to the City for permission to have annual audit performed using alternative audit requirements. The alternative audit requirements of the City require an audit that shall result in the following reports from the independent auditor:

1. Report on the Schedule of Federal Financial Assistance (Grant funds earned through contract performance);
 2. Report on internal controls (accounting and administrative) that were evaluated, the scope of the auditor's assessment work and any significant weaknesses found;
 3. Opinion on compliance with contract provisions and specific requirements applicable to Federal financial assistance;
 4. Report on compliance with general requirements applicable to Federal financial assistance; and schedule of findings and questioned costs.
- I. The City reserves the right to impose any or all of the following sanctions for Contractor's failure to comply with the Single Audit Act and the provisions of this Agreement:
1. Withhold a percentage of assistance payments, at the City's sole discretion, until the audit is completed satisfactorily and submitted to the Department;
 2. Withhold or disallow and require return of overhead and administrative costs;
 3. Suspend payments due to Contractor until the audit is completed satisfactorily and submitted to the City; and/or impose the Default, Probation, Suspension and Termination provisions of this Agreement as set forth herein.
- J. City, Auditor General of the State of California, Grantor, Director of the Office of Civil Rights, and the U.S. Comptroller General shall have the authority to audit, examine, and make excerpts or transcripts from records, including contracts, invoices, customer records and other records supporting this Agreement. Audits of earned funds are limited to determining if such funds were earned in accordance with this Agreement.
- K. City may require Contractor who has inadequate fiscal or administrative procedures, to use any, or all of, the City's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of

fiscal matters relating to this Agreement; or secure at Contractor's expense the service of independent experts.

- L. City shall have the authority to make physical inspections and to require such physical safeguarding devices as locks, alarms, safes, fire extinguishers, sprinkler systems, etc.; to safeguard property, records and/or equipment used in the performance of this Agreement.
- M. Should a fiscal or special audit determine that the Contractor has earned funds which are questioned under the criteria set forth herein, the Contractor shall be notified and given the opportunity to justify questioned expenditures prior to the City's final determination of disallowed costs, in accordance with the procedures established under the Grant.

§608 CONFIDENTIALITY OF INFORMATION

- A. The Grantor, the City, and the Contractor will exchange various kinds of information pursuant to this Agreement. That information will include data, applications, program files and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges, and the Department of Alcohol and Drug Programs.
- B. The City and the Contractor agree that:
 - 1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
 - 2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance code, §10850 of the Welfare and Institutions Code and other applicable local, state, and federal laws.
 - 3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
 - 4. Each party shall promptly return to the other party confidential information when its use ends or destroys the confidential information

utilizing an approved method of destroying confidential information by shredding, burning, or certified, or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.

5. If the City or Contractor enters into an agreement with a third party to provide CDBG services, the City or Contractor agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractors(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data an information systems, and each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractors(s), service providers, or employees.

§609 RESTRICTION ON DISCLOSURES

Prior to the release of any reports, analyses, studies, information, or data generated as a result of this Agreement, Contractor shall notify the City of the request to release the information. Release of information shall be coordinated by the Contractor and the City, and shall be in compliance with State and Federal laws.

§610 HEADINGS AND CAPTIONS

This Agreement's section headings shall not be deemed to govern, limit, modify, or in any way affect the scope, meaning, or intent of these conditions. Unless defined as a "working day", all reference to days is to calendar days.

§611 INSTALLATION OF FINANCIAL ASSISTANCE SIGN

The Contractor shall install, or allow to be installed, for public display upon the project premises, a sign identifying the Contractor as receiving financial assistance from the City, and if the source of the financial assistance is from the Federal government, the appropriate federal government department.

§612 PRESS RELEASES—PUBLIC INFORMATION

The Contractor shall make specific reference to the City of Los Angeles as the sponsoring agency and that the Contractor is an Equal Opportunity Affirmative Action Employer in all communications with the press, television, radio, or any other means of communicating with the general community. The Contractor shall make specific reference to the City of Los Angeles as the sponsoring agency of the project, regarding any items that are related to the program which is funded by this

Agreement. Contractor shall also coordinate press releases with the media/public relations project for maximum impact.

§613 EMPLOYMENT OPPORTUNITIES FOR LOW INCOME PERSONS AND SMALL BUSINESSES [APPLICABLE ONLY TO HOUSING PROJECTS AND PUBLIC WORKS]

Any project/program funded in part or in whole with Housing and Community Development funds, shall comply with the following provisions (referred to as a Section 3 clause):

- A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended 12 USC 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities by HUD assistance or HUD-assisted projects, covered by Section 3, shall, to the greatest extent feasible, be directed to low and very-low income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implements Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number of job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected, but before the Agreement is executed; and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be

directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.

- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD-assisted agreements.
- G. With respect to work performed in connection with Section 3 covering Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (24 USC 450e), also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preferences in the award of contracts and subcontracts shall be given to Indian Organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

§614 NOTICE TO CITY OF LABOR DISPUTES

When Contractor has knowledge that any actual or potential labor dispute involving participants or other employees is delaying or threatens to delay the timely performance of this Agreement, the Contractor shall immediately give notice thereof, including all pertinent information, with regard to same to City. No funds in this Agreement shall be used to promote or deter union organizing.

§615 LISTING OF CONTRACTOR'S EMPLOYMENT OPPORTUNITIES WITH EDD

Contractor shall list all Contractors' job openings with the local Employment Development Department office when such job openings are funded, in full or in part, through monies provided by this Agreement.

§616 TECHNICAL ASSISTANCE

Should Contractor need technical assistance from the City regarding matters that are subject to this Agreement, Contractor shall submit a written request to the City identifying the nature of the problem, the action Contractor has taken to resolve the problem, and the type of assistance needed.

§617 EFFECT OF LEGAL JUDGMENT

Should any covenant, condition or provision contained in this Agreement be held invalid by final judgment in any court of competent jurisdiction, the invalidity of the covenant, condition or provision shall not affect any other covenant, condition or provision of this Agreement.

§618 PROHIBITION OF LEGAL PROCEEDINGS

Contractor is prohibited from using Grant Funds received under this Agreement for the purpose of instituting legal proceedings against the City or their official representatives.

§619 REVERSION OF ASSETS

- A. The Contractor shall, within 45 days of the expiration of this Agreement, transfer to the City Treasury any and all Grant Funds on hand at the time of expiration, and any, an all accounts receivable attributable to the use of Grant Funds provided under this Agreement.
- B. Any real property under the Contractor's control that was acquired improved in whole or in part with grant funds provided under this Agreement in excess of \$25,000, shall either be:
 - 1. Used to meet one (1) of the national objectives set forth in 24 CFR 570.208 until five (5) years after the expiration of this Agreement, or such longer period of time as determined appropriate by the City; or
 - 2. Disposed of in a manner which results in the City being reimbursed in the amount of the current fair market value of the property, less any portion thereof attributable to expenditures of non-grant funds acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with (1) above.

§620 FAITH-BASED ACTIVITIES

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the grant-funded program. However, a Contractor that participates in a grant-funded program shall comply with the following provisions if it is deemed to be a religious or faith-based organization:

- A. Contractor may not engage in inherently religious activities, such worship, religious instruction, or proselytization, as part of the programs or services funded under this Agreement.

If Contractor conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this Agreement, and participation must be voluntary for the beneficiaries of the grant-funded programs or services.

- B. A religious or faith-based Contractor will retain its independence from Federal, State and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct Grant Funds to support any inherently religious activities, such worship, religious instruction, or proselytization.

- C. A religious or faith-based Contractor may use space in their facilities to provide grant-funded services, without removing religious art, icons, scriptures, or other religious symbols.
- D. A religious or faith-based Contractor retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- E. A religious or faith-based Contractor shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
- F. Grant Funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.
- G. Grant Funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this Section. Where a structure is used for both eligible and inherently religious activities, Grant Funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to Grant Funds herein. Sanctuaries, chapels, or other rooms that a Grant funded religious congregation uses as its principal place worship, however, are ineligible for Grant funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the Grant, is subject to government-wide regulations governing real property dispositions.

7. REMEDIES

§701 WAIVERS

Waivers 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.

§702 SUSPENSION OF THE AGREEMENT

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

- B. Said notice shall set forth the specific conditions of non-compliance and the period provided for corrective action.
- C. Within five (5) working days, the Contractor shall reply in writing setting forth the corrective actions that will be undertaken, subject to City approval in writing.
- D. 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 §502 (Insurance) in Part II of this Agreement. Performance shall not resume without the prior written approval of City.

§703 TERMINATION OF AGREEMENT

- 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 termination of this Agreement upon the date specified in §201 or upon completion of performance of this Agreement.

§704 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 to 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 Agreement 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 not been issued pursuant to §703 Termination of Agreement.

§705 NOTICES OF SUSPENSION OR TERMINATION

In the event that this Agreement is suspended or terminated, the Contractor shall immediately notify all employees and customers and shall notify in writing all other parties contracted with under the terms of Agreement within five (5) working days after receiving the notice from the City.

8. MISCELLANEOUS

§801 NUMBER OF PAGES AND ATTACHMENTS

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original, and include _____ (____) pages and _____ (____) Exhibits that constitute the entire understanding and agreement of the parties.

§802 SURVIVAL

The indemnity provisions of this Agreement, Sections 203.G, 203.N, 203.P, 505, 601, 602, 607 and 619 and the Standard Provisions for City Contracts, shall

survive the cancellation or expiration of this Agreement. Any other terms and conditions of this Agreement which by their sense and context survive the termination, cancellation, or expiration of this Agreement, including, but not limited to the requirements of Section 406, shall so survive.

9. SIGNATURE PAGE

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 _____, 2015

MICHAEL N. FEUER, City Attorney

For: THE CITY OF LOS ANGELES

By _____
Deputy/ Assistant City Attorney

RUSHMORE D. CERVANTES
General Manager
Housing and Community Investment
Department

Date _____

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: _____

By: _____

Date: _____

Executed this ____ day of _____, 2015

For:

(Contractor's Corporate Seal)

By: _____
Name:
Title:

By: _____
Name:
Title:

City Tax Registration Certificate Number: _____

Internal Revenue Service ID Number: _____

Council File Number: XXXX; Date of Approval: XX

Said Agreement is Number _____ of City Contracts

EXHIBIT A
REQUIRED INSURANCE AND MINIMUM LIMITS

Name: _____

Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts 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.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)
WC Statutory
EL \$1,000,000
Waiver of Subrogation in favor of City
Longshore & Harbor Workers Jones Act

General Liability \$ 1,000,000
Products/Completed Operations
Fire Legal Liability
Sexual Misconduct

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work) \$ _____

Professional Liability (Errors and Omissions) \$ _____
Discovery Period 12 Months After Completion of Work or Date of Termination.

Property Insurance (to cover replacement cost of building - as determined by insurance company) \$ _____
All Risk Coverage
Flood
Earthquake
Boiler and Machinery
Builder's Risk

Pollution Liability \$ _____

Surety Bonds - Performance and Payment (Labor and Materials) Bonds 100% of the contract price

Crime Insurance \$ _____

Other:

EXHIBIT A
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker.)

PERSON TO CONTACT Direct all correspondence, questions, requests for additional forms, etc., to the contact person listed here or to the department that administers your contract, lease or permit:

NAME CITY AGENCY ADDRESS

GENERAL INFORMATION

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the preferred method of submitting your documents. **Track4LA™** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. Track4LA™ advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 may be accepted. **All** Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

Acceptable Alternatives to **Acord Certificates and other Insurance Certificates:**

- A **copy of the full insurance policy** which contains a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) and additional insured and/or loss-payee status, when appropriate, for the CITY.

EXHIBIT A – Cont.
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

- **Binders and Cover Notes** are also acceptable as interim evidence for up to 90 days from date of approval.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Completed **Insurance Industry Certificates other than ACORD 25 Certificates** can be sent electronically (CAO.insurance.bonds@lacity.org) or faxed to the Office of the City Administrative Officer, Risk Management (213) 978-7616. **Please note that submissions other than through Track4LATM will delay the insurance approval process as documents will have to be manually processed.**

Verification of approved insurance and bonds may be obtained by checking **Track4LA™**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate through **Track4LA™** at <http://track4la.lacity.org> or submit an Insurance Industry Certificate or a renewal endorsement as outlined in Section 3 above. If your policy number changes you must also submit a new Additional Insured Endorsement with an Insurance Industry Certificate.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.)

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

EXHIBIT A – Cont.
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). A **Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

**EXHIBIT B
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTIONS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 24 CFR Part 24 Section 24.510, Participants' responsibilities.

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

- 1. The prospective recipient of Federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- 2. Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

AGREEMENT NUMBER _____
«TNumber»

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

Exhibit B (cont.)
INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non-Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**EXHIBIT C
CERTIFICATION REGARDING LOBBYING**

**Certification for Contracts, Grants, Loans
and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less that \$10,000 and not more than \$100,000 for each such failure.

AGREEMENT NUMBER _____
«TNumber»

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT D

CERTIFICATION REGARDING DRUG FREE WORKPLACE REQUIREMENTS

The Contractor certifies that it will provide a drug-free workplace, in accordance with the federal Drug-Free Workplace Act of 1988 (41 USC 8102 et seq.), 28 CFR Part 67; and the California Drug Free Workplace Act of 1990, CA Gov't Code §8350-8357:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

2. Establishing a drug-free awareness program to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The Contractor's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

3. Making it a requirement that each employee to be engaged in the performance of the grant program be given a copy of the statement required by paragraph 1. above.

4. Notifying the employee in the statement required by paragraph 1. that, as a condition of employment under the grant, the employee will:
 - a. Abide by the terms of the statement, and
 - b. Notify the Contractor of any criminal drug statute convictions for a violation occurring in the workplace no later than five days after such conviction.

5. Notifying the City within ten days after receiving notice under subparagraph 4. b. from an employee or otherwise receiving actual notice of such conviction.

6. Taking one of the following actions, within 30 days of receiving notice under subparagraph 4.b. with respect to any employee who is so convicted:
 - a. Taking appropriate personnel action against such an employee, up to and including termination (consistent with requirements of the Rehabilitation Act of 1973 and the Americans with Disabilities Act) or,
 - b. Requiring the employee's satisfactory participation in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of the provision of this certification.

AGREEMENT NUMBER _____

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT E
MANAGEMENT REPRESENTATION

As a prerequisite to receipt of a City funded Contract, and as material facts upon which the City may rely in preparing the Contract, I, an authorized representative of the Contractor, make the following representations:

1. I am responsible for the fair presentation of the Contractor's financial records/reports in conformity with standard accounting practices and have provided such records/reports accordingly to the City. I will make available to City all related data and information. I am not aware of any material transactions that have not been properly recorded and disclosed.

True False

2. The Contractor has adopted sound accounting policies and procedures that include procedures for maintaining internal controls, and preventing and detecting fraud and abuse.

True False

3. I have advised and will continue to advise the City of any actions taken at meetings of Contractor's Board of Directors, and Committees of the Board of Directors which may have a material impact on Contractor's ability to perform the City's Contract.

True False

4. Except as recorded or disclosed to you herein, I know of no instances of:

- a. Conflict of interests (direct or indirect), nepotism, related (direct or indirect) party transactions including revenues, expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

True False

- b. Guarantees, whether written or oral, under which the Contractor is contingently liable.

True False

- c. Actual, forthcoming or possible terminations of funding from regulatory agencies or other sources due to noncompliance, deficiencies, or for any other reason, that would affect the financial records and/or continuing viability of the Contractor as an on-going concern.

True False

5. I have no knowledge that a board member/s is/are also an employee of this Contractor whose salary costs are reimbursed under this agreement.
- True False
6. I have no knowledge of and am not in receipt of any communication regarding allegations of fraud, suspected fraud or abuse affecting the Contractor involving management, employees who have significant roles in internal control, or others where fraud/abuse could have a material effect on the financial records or performance of the City Contract.
- True False
7. I have no knowledge of any allegations, written or oral, of misstatements or misapplication of funds in the Contractor's conduct of its financial affairs or in its financial records.
- True False
8. I am not aware of any pending litigation, bankruptcy, judgment, liens and other significant issues that may threaten the financial viability, legal and continuing existence of the Contractor.
- True False
9. The Contractor has satisfactory title to all assets being used in the City's program, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
- True False
10. The Contractor has complied with all aspects of contractual agreements, related laws and regulations that could have a material effect on the financial records, the program/s, or on the organization as a whole.
- True False
11. I have properly reported and paid to the appropriate governmental agencies all payroll taxes due on employees' (City program related or otherwise) compensation.
- True False
12. I have responded fully to all the City's inquiries related to the Contractor's financial records and/or reports.
- True False

13. I understand that the City's auditing and monitoring procedures of Contractor are limited to those which the City determines best meet its informational needs and may not necessarily disclose all errors, irregularities, including fraud or defalcation, or illegal acts, that may exist.

True False

14. I understand that the City audit and monitoring reports are intended solely for use by the Contractor and the other authorized parties, and are not intended for other purposes, unless otherwise required by law.

True False

15. If one or more of the above statements is found to be false, I understand that the City may terminate this contract immediately. I also understand that I have a continuing duty to report to City any material factual change to any of these statements.

True False

Use this space to provide any additional information:

I declare under penalty of perjury that I have read the foregoing statements and they are true and complete to the best of my knowledge.

For: _____

Signature (Person Authorized by the Board of Directors to Bind Corporation)

Printed Name

Title

Date Signed

EXHIBIT F
PROJECT BUDGET

EXHIBIT G
PERFORMANCE SCHEDULE

EXHIBIT H
FORM OF THE PROMISSORY NOTE

CITY PROMISSORY NOTE
SECURED BY THE CITY DEED OF TRUST
(Service Payback)

\$\$

RECITALS

WHEREAS, the City of Los Angeles ("City") has entered into Grant Agreements with the United States Department of Housing and Urban Development, hereinafter called the GRANTOR, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, to address the community development needs of the City, and also, pursuant to Title IV, Subtitle B of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100-77, to address the needs of homeless persons in the City; and

WHEREAS, the City's Housing and Community Investment Department ("HCID") collaborates 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, City Council File Number _____, dated _____, approved the _____th Program Year Action Plan and authorized a total of _____ Dollars (\$_____) in CDBG funding for the payment of Eligible Costs related to _____ ("Project") located at _____ ("Property"); and

WHEREAS, the Project has been established by the City as one of the above-described Programs, and has been approved by the Los Angeles City Council and the Mayor; and

WHEREAS, the Project involves a public improvement and facility activity in accordance with 24 CFR 570.203 et seq. and/or 570.703 and satisfies a national objective per 24 CFR 570.208; and

WHEREAS, the City issued a loan to _____ ("Borrower") in the amount of **dollars** (**\$\$**), loaned to support **Costs** costs ("City Agreement" or "City Loan"), and as part of the consideration for the City loan from City to Borrower shall be this Note secured by the City Deed of Trust in the amount of **dollars** (**\$\$**), and compliance with the City Agreement.

1. NOW, THEREFORE, FOR VALUE RECEIVED, **Borrower**, a California **entity** (the "Borrower"), promises to pay to the order of City of Los Angeles, a municipal corporation, a total principal amount of **dollars** (**\$\$**) and all accrued interest thereon or so much as may be advanced to the Borrower pursuant to the City Agreement, dated _____, 2014, between the Borrower and City.
2. The obligation of the Borrower is subject to the terms of the City Agreement, the City Deed of Trust, and this Note, executed by the Borrower for the purpose of securing this Note.
3. The amount due under this Note is due and payable only in the event that (i) Borrower fails to meet its service repayment obligations as set forth in the City Agreement; (ii) the use of the Project as a _____ facility is changed as per 24 CFR 570.505 and the alternate use is not approved in writing by the City; (iii) the national objective is not met as per 24 CFR 570.208; (iv) Borrower fails to complete the rehabilitation of the Property; and/or (v) the City terminates the City Agreement as a result of an uncured default under the City Agreement.
4. The Borrower shall utilize the facility for the purpose of _____

_____, for a period of _____(____) years from the date(s) cited by the Borrower in the Borrower's notice to the City that services began pursuant to §203.G of the City Agreement, to serve _____.
5. The Borrower shall maintain and retain during the entire service repayment period, subject to City review, a record of each of the clients served which shall include, but not be limited to, the services rendered, residency status, the individual and/or family income, sex, age, ethnicity, and the fee and/or donations received in lieu of such fee.
6. The Borrower shall submit to City on a quarterly calendar period the following information on the City-approved report format attached to the City Agreement as Exhibit "O" Quarterly Participant Report Form which shall be due on the 10th day of the calendar month following the end of the preceding quarterly period.
7. Debt Service Period (Service Repayment) - commencing on the Project Completion Date, the debt service period shall be _____(____) years.
8. Payment of Principal/Service Credit - all non-monetary payments

made by the Borrower as they relate to the City Agreement and this Promissory Note shall be in the form of service repayment (unless otherwise provided). Service repayment shall be in the form of _____ services primarily for the benefit of low and moderate income persons living within the City of Los Angeles (or such other specific services which the City has approved in writing).

Borrower shall receive a service repayment credit in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per year of satisfactory service in accordance with CF 08-1302.

Any real property under the Borrower's control that was acquired improved in whole or in part with Grant Funds provided under the City Agreement in excess of \$25,000, shall either be:

(a) Used to meet one (1) of the national objectives set forth in 24 CFR 570.208 until five (5) years after the expiration of the City Agreement, or such longer period of time as determined appropriate by the City; or

(b) Disposed of in a manner which results in the City being reimbursed in the amount of the current fair market value of the property, less any portion thereof attributable to expenditures of non-grant funds acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with (1) above.

9. Any Program Income, as defined under the applicable CDBG regulations, must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City's written direction to the Borrower. At the City's discretion, Program Income may be used to augment the Borrower's program. Use of Program Income is permitted only by written amendment to this Agreement. Should this use of Program Income be approved, Borrower shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with City of Los Angeles record retention and audit requirements. The City shall monitor Borrower's compliance with all Program Income requirements.

Borrower's failure to comply fully with Program Income requirements including any City Directives or regulations shall result in findings of disallowed costs.

10. This Note evidences the obligation of the Borrower to the City to repay funds loaned to the Borrower to finance a portion of the cost of _____ for the Project.
11. This Note is also payable in lawful money of the United States at the office of Housing and Community Investment Department,

1200 W. 7th Street, 9th Floor, Los Angeles, California 90017, or at such other place as the holder hereof may inform the Borrower in writing.

12. This Note shall bear simple interest at the rate of zero percent (0%) per annum on the principal amount outstanding from the date of the warrant (Los Angeles City check), until paid. Interest shall be computed based upon a three hundred sixty (360) day year, and a thirty (30) day month.
13. Unless sooner due pursuant to this Note, the combined principal of the City Loan and all accrued interest thereon shall be due and payable on the earliest of (a) **term** (**term###**) years from the date of the Project Completion Date, (b) the date the Property is sold or refinanced without City approval, or (c) an Event of Default by Borrower which has not been cured as provided for in the City Agreement.
14. A default shall be deemed to occur if Borrower (i) fails to satisfy the service requirement under this Note or the City Agreement, (ii) fails to comply with any non-monetary covenant under this Note or the City Agreement, or (iii) is otherwise in default under the provisions of this Note or the City Agreement and such default is not cured in accordance with the provisions of the City Agreement.
15. If Borrower fails to perform any of the provisions of the City Agreement and/or this Note within the prescribed or otherwise reasonable period of time, or fails to obtain written waiver or amendment thereof from the City, this Note shall bear the simple interest rate of fifteen percent (15%) ("Default Rate") per annum, from the date due until the date paid.
16. The Borrower shall have the right to prepay without penalty the obligation evidenced by this Note, or any part thereof, at any time and from time to time.

The Borrower may purchase the City's interest in the Project's Real Property as follows: (1) within the first five (5) consecutive years of Service Payback for the current fair market value of such interest in accordance with 24 CFR 570.503(b)(7); or (2) subsequent to the first five (5) consecutive years of Service Payback for an amount to be negotiated between the City and the Borrower, but not less than the amount of unamortized Service Payback, as determined by the City.

17. All covenants, conditions and agreements contained in the City Deed of Trust, City Agreement, and any Loan Documents in connection to the Project, are hereby made a part of this Note. Upon any Event of Default, as defined in the City Agreement, the City may exercise any other right or remedy permitted under the Loan Documents.

- 18. If Borrower sells, conveys, assigns or otherwise transfers (i) all or any part of the Property, (ii) any interest in the Property, or (iii) any beneficial interest of Borrower (which shall include, without limitation, a sale or other transfer of any interests in Borrower if Borrower is a partnership or limited liability company), whether any such sale, conveyance, assignment or other transfer occurs directly or indirectly, voluntarily or involuntarily or by operation of law, without the prior written consent of the City (which shall not be unreasonably withheld), then the City may elect, in its sole and absolute discretion, to accelerate the maturity date and declare the entire unpaid principal or the current fair market value of the Property pursuant to 24 CFR 570.505 and other sums due hereunder to be immediately due and payable.
- 19. The City may, at its sole option, assign this Note and/or designate any other person or entity as the holder hereof.
- 20. No modifications, amendments, or waiver except as specified herein. This Note may not be amended, modified or changed, nor shall any waiver of the provisions hereof be effective, except only by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought. Additionally, a waiver of any provision in one event shall not be construed as a waiver of any other provision at any time, as a continuing waiver, or as a waiver of such provision on a subsequent event.
- 21. Any provision of this Note which shall be held by a court of competent jurisdiction to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision or term hereof, and such other provisions or terms shall remain in full force and effect.
- 22. In the event that any monetary provisions of the City Agreement, City Deed of Trust, and/or City Note conflict, the terms of the City Note and City Deed of Trust shall control. In the event that any monetary provisions of the City Note and City Deed of Trust conflict or in the event that any non-monetary provisions of the City Agreement, City Deed of Trust, and/or City Note conflict, the strictest provision shall control.

Borrower:

Executed this _____ day of _____, 2014

Borrower1

A California **entity**

By: _____

A California
Its:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
A California
Its:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT I

CERTIFICATION REGARDING NOTICE OF PROHIBITION AGAINST RETALIATION

This certification is required by the regulations implementing Living Wage Ordinance. Contractor shall post a copy of the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation, which is as below, in a prominent place in an area frequented by employees.

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 [http://bca.lacity.org/site/pdf/lwo/Notice To Employees Of Retaliation \(English\).pdf](http://bca.lacity.org/site/pdf/lwo/Notice%20To%20Employees%20Of%20Retaliation%20(English).pdf) and in Spanish at [http://bca.lacity.org/site/pdf/lwo/Notice To Employees Of Retaliation \(Spanish\).pdf](http://bca.lacity.org/site/pdf/lwo/Notice%20To%20Employees%20Of%20Retaliation%20(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 City’s Equal Employment Opportunity Enforcement Section, as well as file a claim in court.

For more information, or to obtain a complaint form, please call the Equal Employment Opportunity Enforcement Section at (213) 847-2625.

**CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
Phone: (213) 847-2625 — Fax: (213) 847-2777**

Rev. 08/08

AGREEMENT NUMBER: (T)

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DAT

EXHIBIT J
SUBCONTRACT AND PROCUREMENT PROCEDURES

A. SUBCONTRACTS

1. For the purpose of this Agreement, subcontracts shall include, but not be limited to purchase agreement or lease or rental agreements (excluding real property agreements), third-party agreements, consultant services subcontracts and construction subcontracts.
2. Subcontracts entered into in the performance of this Agreement shall:
 - a. Be subject to the terms and conditions set forth in this Agreement. City may require incorporation of the applicable provisions in a written agreement.
 - b. Specifically prohibit assignment or transfer of interest without prior written approval by the City.
 - c. Contractor must specifically provide proof, when applicable, of the appropriate permits and/or business licenses.
3. A copy of each executed subcontract, or amendment(s) thereto, shall be submitted to the City for approval prior to execution.
4. A copy of each executed subcontract, or amendment(s) thereto, shall be maintained by Contractor and provided to City upon written request.
5. Subcontractor's shall be procured consistent with the Procurement Procedures outlined in this Agreement.

B. PROCUREMENT PROCEDURES

1. It is the policy of the City of Los Angeles (City) to encourage fair and open competition in its procurement for goods and services. The requirements for a fair and open competition include the development of written procurement policies that include, but are not limited to all of the following subsections. Several of the provisions herein include City mandated rules and procedures in addition to the other grant requirements. Such policies are applicable to subcontractors to the extent permitted by law.
 - a. Purpose: It is the intent of these rules that these procedures shall apply to all subcontracts including, but not limited to purchase agreements, lease or rental agreements (excluding real property agreements), third-party agreements, and consultant services subcontracts. All contractors are required to prepare written procurement procedures. All written procedures and policies for procurement activities are to be available for public inspection.
 - b. Competition: The City and each of its contractors shall conduct procurement in a manner that provides full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:
 - (1) Placing unreasonable requirements on firms or organizations in order for them to qualify to do business;
 - (2) Requiring unnecessary experience and excessive bonding;
 - (3) Noncompetitive pricing practices between firms or organizations, or between affiliated companies or organizations;
 - (4) Noncompetitive awards to consultants that are on retainer contracts;
 - (5) Organizational conflicts of interest;

- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance of other relevant requirements of the procurement;
- (7) Overly restrictive specifications; and
- (8) Any arbitrary action in the procurement process.

c. Responsibilities:

- (1) The following procedures shall apply to all procurements under this Agreement in order to ensure that all solicitations:
 - (a) Incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurement, contain features which unduly restrict competition; and
 - (b) Identify all requirements that the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- (2) Issue a Public Notification: The notification must be made through an announcement in a local public medium (e.g., newspaper) or other media that covers the entire service area.
- (3) All steps of each procurement must be documented, including a description of the documentation process and where the documentation will be located.
- (4) Contractor shall provide a copy of the bid package to anyone who requests it. Contractor shall compile a list of everyone requesting a copy of the bid package.
- (5) The Contractor shall ensure that all pre-qualified lists of persons, firms or other organizations that are used to acquire goods and services are current and include sufficient numbers of qualified sources to ensure maximum open and free competition. The agencies listed on the bidder’s list may be individually notified.
- (6) The Contractor shall maintain records that are sufficient to detail the significant history of a procurement procedure. These records shall include, but are not limited to the following: rationale for the method of procurement; the selection of contract type; contractor selection or rejection; rational and reasonable rating criteria and the basis for the contract type.
- (7) The Contractor shall keep records sufficient to insure that funds have not been spent unlawfully.
- (8) The Contractor shall retain all records pertinent to any procurement agreement/contract within the County of Los Angeles for a period of five (5) years following termination of the Agreement and after final disposition of all pending matters. “Pending Matters” include, but are not limited to an audit, litigation, or other activities involving records. Prior to destruction of records retained under this Agreement, the Contractor shall notify the City and request instructions on disposition of said records.
- (9) The Contractor shall not contract with any party that is debarred, suspended or otherwise excluded from participation in Federal assistance programs. All contracts shall include a self-certification from the contractor that it is not a debarred party.

The Federal government prohibits awards to any party that is debarred. The Federal government compiles a list of debarred parties. The Federal list is published by the General Services Administration. A copy may be obtained by telephoning the Superintendent of Documents (202-512-1600). The list will be issued as an Information Bulletin in May of each year. It is the Contractor’s responsibility to ensure that funds are not awarded to entities on the debarment list.

- (10) Procurement activities must be concluded in a confidential manner. Staff involved in procurements must not divulge advance purchasing information, specific proposal/offer evaluation criteria, and negotiations with bidders or in-house discussions regarding procurement until such time as this information is released to all parties.
- (11) Contractor shall receive and log in proposals and establish a method for recording the date and time of arrival of proposals using either a log-in sheet, or a date/time stamp. Contractor shall establish a single location for receipt of proposals. Contractor shall ensure that the only proposals received by the deadline specified in the bid package qualify for the evaluation process unless there is a valid legal reason for otherwise considering a late proposal.
- (12) Contractor shall establish proposal evaluation procedures that shall include, but not be limited to the following:
 - (a) Clear staff responsibilities: A procurement specialist shall be designated for each bid/proposal process. It shall be the responsibility of the specialist to insure compliance with these procurement rules;
 - (b) Develop a standard worksheet or check-list for determining responsiveness of each proposal;
 - (c) Establish and use evaluation criteria and a standard evaluation worksheet to be used in recording the evaluations of each proposal;
 - (d) Prepare an analysis of costs to verify allowability and to determine reasonableness;
 - (e) Identify staff responsibilities for completing proposal evaluation and for summarizing evaluation results;
 - (f) Develop a description of methods for ensuring independence of ratings by those involved in the evaluation process (i.e., prohibit discussion among staff, sequestered evaluations);
 - (g) Identify policy and process by which selection of awardee(s) will be made; and
 - (h) Provide an opportunity for bidders to appeal staff recommendations.

Items a-c should be sufficiently completed before issuance of the bid package so relevant parts can be included.

- (14) Contractor shall identify complete and timely proposals. Contractor shall review the technical merits of these proposals based on the rating criteria contained in the bid package. Contractor shall review the cost proposals based on applicable cost principles and the technical proposal.
- (15) Contractor shall determine which proposals are in competitive range for technical response and based on the cost and price analysis conducted prior to the release of the bid package.
- (16) Contractor shall negotiate with organization(s) in the competitive range. Contractor shall establish policies and procedures governing face-to-face negotiations. Include in these policies opportunities to seek clarification of the proposal content, the offeror to submit a best and final proposal prior to final evaluation and award. Contractor shall include in the criteria that all responsive offerors in the competitive range are given fair and equal consideration based on the merits of their proposals. Contractor shall document these negotiations in writing.
- (15) Private for-profit entities must obtain prior written approval from the City for purchases of personal property (other than supplies) using Agreement funds.

- (16) Contractor shall conduct and document oversight to ensure compliance with these procurement procedures.
- (17) If the State of California, or the City of Los Angeles has established a debt against a service provider that has not been repaid or a repayment agreement plan has not been implemented, then the service provider shall be barred from receiving any future City funds.
- (18) Participation of Minorities, Women, Disadvantaged and Small Businesses
To the fullest extent possible in the administration of this Agreement, Contractor agrees to provide opportunities for minorities, women, disadvantaged and small businesses to participate in procurements under this Agreement.
- (19) Procurement shall be conducted at least once every three (3) years.
- (20) The Contractor shall not use funds provided under this Agreement to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless it is demonstrated that the Agreement-funded alternative services or facilities would be more effective or more likely to achieve performance goals.

d. Cost or Price Analysis:

- (1) Contractor shall establish standards for the performance of cost or price analysis.
- (2) Contractor shall perform a cost or price analysis in connection with every procurement action, including contract modifications to determine that the expenditure is reasonable. The method and degree of analysis depends on the facts surrounding the particular procurement and pricing situation, but at a minimum, the Contractor shall make independent estimates before receiving bids or proposals.
 - (a) A cost analysis is necessary when the offeror is required to submit the elements of the estimated cost, when adequate price competition is lacking, and for sole source procurement, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. As part of its bid, the offeror shall certify that to the best of its knowledge and belief, the cost data are accurate, complete and current at the time of agreement on price.
 - (b) Contracts or modifications negotiated in reliance on such data should provide the awarding agency a right to a price adjustment to exclude any significant sum by which the price was increased because the contractor had submitted data that were not accurate, complete or current as certified.
 - (c) Any indirect costs in a proposal must be carefully reviewed to ensure that the costs are not duplicated by direct costs. Indirect costs must be allocated in accordance with an approved cost allocation plan.
 - (d) If a bidder proposes to use a subcontractor as part of its proposal, all costs in the proposed subcontract must also be evaluated in the same manner as for the primary proposal.
 - (e) Cost analysis must carefully evaluate salaries of owners of sole proprietorships or partnerships who submit offers to ensure that they are in line with the services to be performed.
- (3) A price analysis should be used in all other instances to determine the reasonableness of the proposed contract price. The following price analysis techniques shall be used: i) comparison of proposed prices received; ii) comparison of prior prices received and current contract proposed prices for the same or similar requirement; iii) application of rough yardsticks (e.g., dollars per square foot, dollars per placement); iv) comparison

with competitive published price lists and published market prices; and v) comparison with agency's independent developed cost estimates.

The following cost analysis shall be used to:

- (a) Verify cost or pricing data and evaluate cost elements;
 - (b) Evaluate the effect of the offeror's current practices on future costs;
 - (c) Compare proposed costs for individual cost elements;
 - (d) Verify that offeror's cost submissions are in accordance with cost principles (allowable/allocable); and
 - (e) Review to determine that all necessary cost or pricing data have been submitted.
- (4) Agreement procurement shall not permit excess program income (for nonprofit and governmental entities) or excess profit (for private for-profit entities). If profit or program is included in the price, the City or the Contractor shall negotiate profit or program income as a separate element of the price for each contract/subcontract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit or program income, consideration shall be given to:
- (a) The complexity of the work to be performed;
 - (b) The risk borne by the contractor;
 - (c) The contractor's investment;
 - (d) The amount of subcontracting;
 - (e) The quality of the contractor's record of past performance;
 - (f) Industry profit rates in the surrounding geographical area for similar work; and
 - (g) Market conditions in the surrounding geographical area.
- (5) The cost plus a percentage of cost method of contracting shall not be used.
- e. Awarding of Agreement/Contract
- (1) Prior to an award of a contract, the City/Contractor shall make a determination that the Contractor/Subcontractor has demonstrated effectiveness in providing the requested services. Agreements/Contracts shall be made only with responsible Contractors/Subcontractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. The selected proposer must be a responsive entity that has submitted a proposal or bid which meets all requirements of the solicitation adequately, which includes responding to the Request for Proposal (RFP)/Request of Qualification (RFQ) within the required time frames, and completing all forms and documents. A responsible entity is one that has been determined to: 1) have a satisfactory record of integrity and business ethics; 2) have a satisfactory performance record; 3) have adequate financial resources to perform the contract or the ability to obtain such resources; 4) be able to comply with the required or proposed delivery of performance schedule, taking into consideration all existing commercial and business commitments; 5) have the needed organization, experience, accounting, operational control and technical skills or ability to obtain them; 6) have adequate production, construction or technical equipment and needed facilities or the ability to obtain them; 7) be able to meet the program design specifications; 8) be able to meet performance goals which includes a showing of demonstrated effectiveness in providing employment and training services; 9) be able to provide services that can lead to the achievement of competency standards for participants; and 10) be both qualified and eligible to receive the award under the applicable law and regulation. Contractor/Subcontractor shall make

the award(s) and finalize the contract(s). Contractor/Subcontractor shall follow established procedures for formal notification of offerors of the results of the evaluations and selected process.

- (2) The City/Contractor and its contractors/subcontractors shall make positive efforts to utilize small business and minority-owned business as sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts to be performed utilizing Federal grant funds. If applicable, Contractor/Subcontractor certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000.
- (3) Where such advertised bids are obtained, the awards shall be made to the responsible bidder whose bid is responsive to the invitation and is most advantageous to the grantee, price and other factors considered. Factors such as discounts, transportation costs, and taxes may be considered in determining the lowest bid. No points shall be given for status as subcontractors or a contractor with an approved childcare policy within existing delivery systems. However, if a bid results in a tie score, preference may be given to the contractor or a subcontractors with an approved child care policy.
- (4) Any or all bids may be rejected when it is in the City/Contractor's interest to do so, and such rejections are in accordance with applicable State and local law, rules, and regulations.

f. Funding Restrictions for High-Risk Contracts

- (1) A contractor may be considered "high-risk" if an awarding agency determines that the contractor is otherwise responsible but:
 - (a) Has a history of unsatisfactory performance;
 - (b) Is not financially stable;
 - (c) Has a management system that does not meet the management standards set forth in this part; or
 - (d) Has not conformed to terms and conditions of a previously awarded grant or sub-grant.
- (2) If the City/Contractor agency determines that a grant or sub-grant will be made to a "high-risk" contractor or subcontractors, then special funding restrictions that address the "high-risk" status may be included in the contract or subcontract. Funding restrictions may include, but are not limited to:
 - (a) Use of reimbursements rather than advances or payment upon completion of the project;
 - (b) Requiring additional and/or more detailed financial or performance reports;
 - (c) Additional monitoring;
 - (d) Requiring the contractor or subcontractors to obtain specific technical or management assistance, and/or
 - (e) Establishing additional prior approvals (e.g., requiring awarding agency approval prior to hiring/firing, award of small purchase contracts).
- (3) If the City/Contractor decides to impose such funding restrictions, the awarding official will notify the contractor or subcontractors as early as possible, in writing, of:
 - (a) The nature of the funding restriction(s);
 - (b) The reason(s) for imposing them;

- (c) The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions;
- (d) The method of requesting reconsideration of the restrictions imposed; and
- (e) Additional prior approvals.

g. City Code of Conduct

All contractors shall adopt a Code of Conduct in accordance with the requirements as set forth in §503 of this Agreement.

h. Methods of Procurement

- (1) Contractor shall use one (1) of the following methods of procurement either by bid or proposal, as appropriate for each procurement action, for entering into contracts with subcontractors. Contractors shall conduct procurement in a manner that provides full and open competition. Contractor shall perform a cost or price analysis in connection with every procurement action, including contract modifications to determine that the expenditure is reasonable. When any purchase is made, it can only be for an allowable cost. Invitations for bids shall clearly set forth all requirements that the bidder must fulfill in order for his bid to be evaluated by the grantee. Grievance process procedures shall be included in each of the following methods of advertised procurement. Specific requirements and procedures are set forth in 24 CFR §84.44, 24 CFR §85.36, Los Angeles City Charter §370-§372, and OMB Circular A-110, incorporated herein by reference.
- (2) Prior to entering into any subcontract that has a value of One Thousand Dollars (\$1,000) or more, the Contractor shall submit to the City evidence that it has received a minimum bid(s) for such subcontractors and documentation that justifies the selection of the successful bidder. The Contractor shall maintain records showing the parties solicited and the bids submitted.
 - (a) Small Purchase Procedures: Small purchases are made from vendors for goods or services under \$100,000. Following the procedures for small purchases will constitute justification of the procurement method chosen. The bid must indicate the quantity, time frame and all other requirements of the product or service sought. Bids must be solicited from vendors that can reasonably be expected to provide the goods or services needed.

The requirements are:

Dollar Range of Purchase	Contract and Method
\$1 to \$10,000	1 bid*

*Bid may be a verbal quote, but must be documented for the project file.

\$10,001 to \$100,000	3 written bids received**
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**Three (3) bids must be received by Contractor. The bid process and bids received must be documented in writing in the file. The Request for Bid must either be provided in writing to the vendors, or transmitted as uniformly as possible over the telephone. To be considered, the bid response must be signed and dated by the vendor.

(b) Purchase/Services Over \$100,000

- (i) Sealed Bids—Formal Advertising: Contractor shall prepare an Invitation for Bid (IFB) or similar solicitation document which includes full and clear

definitions and descriptions of the items to be procured and key performance criteria, dimensions or specifications. Sealed bids shall be solicited publicly for procurement for a firm-fixed-price contract (lump sum or unit price), or other fixed-price arrangement.

- (ii) **Competitive Proposals:** Proposals shall normally be conducted with more than one (1) source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. Contractors shall ensure that they use a documented methodology for technical evaluations and shall award the contract to the responsible offeror whose proposals are most advantageous to the program with price, technical, and other factors considered.
- (iii) **Noncompetitive Proposals—Sole Source:** To conduct a noncompetitive procurement the criteria here must be met. Sole source contracts are defined as solicitation of a proposal from only one (1) source, the funding of an unsolicited proposal, or after solicitation of a number of sources, when competition is determined inadequate.

Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and one (1) of the following circumstances applies:

- (a) The item or service is available only from a single source; or
- (b) The public exigency or emergency need for the item or service does not permit a delay resulting from competitive solicitation and the procurement is for a limited time only; or
- (c) The awarding agency authorizes noncompetitive proposals; or
- (d) After solicitation of a number of sources, competition is determined inadequate.

(c) **Contract Provisions**

- (i) All contracts must contain at a minimum the following provisions:
 - (a) Specific deliverables and the basis for payment;
 - (b) Provisions requiring compliance with Community Development Block Grantors (CDBG) including, but not limited to other funding source regulations;
 - (c) Provisions that describe remedies for breach;
 - (d) Provisions that describe Grantors CDBG and other funding sources patent and copyright rules;
 - (e) Provisions for termination for cause and convenience;
 - (f) Access to records for audit purposes;
 - (g) Audit requirements;
 - (h) Provisions for payment and delivery;
 - (i) Provisions describing contract amendment procedures;
 - (j) Provisions against assignment;

- (k) Provisions for equal opportunity and non-discrimination;
 - (l) Provisions prohibiting conflicts of interest.
- I. Appeal and Dispute Procedures: The City and its contractors shall have protest procedures to handle and resolve disputes relating to their procurement. A protester shall exhaust all administrative remedies with the contractor before pursuing a protest at a higher level. Notice of appeal rights and procedures must be given to all bidders.
- K. Regardless of the amount of the award, if the Contractor receives State Community Services Block Grant (CSBG) funds as a funding source under this Agreement, all sub-recipients of such funding shall certify to a Drug-Free Workplace. All awards to sub-recipients in excess of \$100,000 shall certify that no funds shall be used for lobbying. All contracts and awards to vendors and sub-recipients in excess of \$25,000 shall include debarment certifications.
- L. These guidelines are included to provide additional information regarding conflict of interest regulations in California, the California Multiple Awards System (CMAS), and sample procurement steps for sealed bids and request for proposals. The sub-recipients may use the CMAS for procurement following the small purchase guidelines for procurement under \$25,000; for procurement over \$25,000, three written quotes are required. If there are insufficient vendors to provide the quotes, a sole source justification should be written.

EXHIBIT K
STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS**PSC – 1. 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.

PSC – 2. 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.

PSC – 3. 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.

PSC – 4. 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 and has been attested to by the City Clerk.

PSC – 5. INTEGRATED CONTRACT

This contract contains the full and complete agreement between the parties, sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. No verbal agreement or conversation with any representative of either party shall affect or modify any of the terms and conditions of the contract.

PSC – 6. AMENDMENT

Any change to the terms of the contract, including changes in the scope of work to be performed and any increase or decrease in the amount of compensation, which are agreed to by the parties shall be incorporated into the contract by a written amendment properly executed by the authorized representatives of the parties and effective pursuant to the provisions of PSC-4. No verbal agreement with any officer or employee shall affect or modify any of the terms or conditions of the contract.

PSC – 7. 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.

PSC – 8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, 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. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC – 9. WAIVER

A waiver of a default of any part, term or provision of this contract must be in writing and shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC – 10. TERMINATION**A. TERMINATION FOR CONVENIENCE**

The City may terminate this contract for the City's convenience at any time by giving Contractor thirty days written notice thereof. Upon receipt of said notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably

necessary to terminate its activities. The City shall pay Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by Contractor to affect such termination. Thereafter, Contractor shall have no further claims against the City under this contract. All finished and unfinished documents and materials procured for or produced under this Contract, 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.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if Contractor fails to perform any of the provisions of this contract or so fails to make progress as to endanger timely performance of this contract, the City may give Contractor written notice of such default. If Contractor does not cure such default or provide a plan to cure such default which is acceptable to the City within the time permitted by the City, then the City may terminate this contract due to Contractor's breach of this contract
2. If a federal or state proceeding for relief of debtors is undertaken by or against Contractor, or if Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this contract.
3. If Contractor engages in any dishonest conduct related to the performance or administration of this contract or violates the City's lobbying policies, then the City may immediately terminate this contract.
4. In the event the City terminates this contract 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 to, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this contract, including all intellectual property rights thereto, shall become City property upon 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.
6. 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 contract, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

PSC – 11. INDEPENDENT CONTRACTOR

Contractor is acting hereunder as an independent contractor and not as an agent or employee of the City. No employee of Contractor has been, is, or shall be an employee of the City by virtue of the contract, and Contractor shall so inform each employee organization and each employee who is hired or retained under the contract. 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.

PSC – 12. CONTRACTOR’S PERSONNEL

Unless otherwise provided or approved by the City, Contractor shall use its own employees to perform the services described in this contract. The City shall have the right to review and approve any personnel who are assigned to work under this contract. Contractor agrees to remove personnel from performing work under this contract if requested to do so by the City.

Contractor shall not use subcontractors to assist in performance of this contract without the prior written approval of the City. If the City permits the use of subcontractors, Contractor shall remain responsible for performing all aspects of this contract. The City has the right to approve Contractor’s subcontractors, and the City reserves the right to request replacement of subcontractors. The City does not have any obligation to pay Contractor’s subcontractors, and nothing herein creates any privity between the City and the subcontractors.

PSC – 13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

Contractor shall not, unless it has first obtained the prior written consent 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.

PSC – 14. 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, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC – 15. 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.

PSC – 16. LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE

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.

PSC – 17. 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 five 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 five 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.

PSC – 18. FALSE CLAIMS ACT

Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment to 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.

PSC – 19. BONDS

All bonds which may be required for performance of services 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.

PSC – 20. 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 (with counsel subject to approval by City), indemnify and hold harmless the City and 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, and/or for any other damages or losses of any kind or nature 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 PSC-20 shall survive expiration or termination of this Contract.

PSC – 21. INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor, at its own expense, undertakes and agrees to defend (with counsel subject to City approval), indemnify, and hold harmless the City, and 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, cost 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 contract; 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. 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 records, and sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. 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 PSC-21 shall survive expiration or termination of this contract.

PSC – 22. 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.

PSC – 23. 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. Contractor hereby assigns, and agrees to assign, all goodwill, copyright, trademarks, 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 the contract.

PSC – 24. 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 coverages 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), covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, and the Instructions and Information on Complying with City Insurance Requirements and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management.

PSC – 25. DISCOUNT TERMS

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.

PSC – 26. 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.

PSC – 27. NON-DISCRIMINATION

Unless otherwise exempt, this contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code as amended from time to time. The Contractor shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this contract, 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, disability, domestic partner status, marital state or medical condition. 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 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.

PSC – 28. EQUAL EMPLOYMENT PRACTICES

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, age, disability, marital status or medical condition.
 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 for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 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 or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
 - 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. Intentionally blank.

- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. 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.
- K. 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.
- L. 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.

PSC – 29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code as amended from time to time.

- A. During the performance of a City contract, Contractor certifies and represents that Contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its 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, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services 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 shall 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 for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract compliance, Contractor shall certify on an electronic or hard copy form to be supplied, that Contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. Contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program 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 Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. 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 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 breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, 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 breach may be the basis for a determination by the awarding authority or the Board of Public Works that said Contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such Contractor shall be disqualified from being awarded a contract with the City for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to Contractor by the City under the contract, a penalty of ten dollars(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City shall have any and all remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. Contractor shall submit an Affirmative Action Plan which shall meet the requirements of the Los Angeles Administrative Code at the time it submits its bid or proposal or at the

time it registers to do business with the City. The Plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a Plan, Contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, Contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 2. Contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and Contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;

6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimizes the impact of any disability.
- N. Any adjustments which may be made in the Contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its contract compliance Affirmative Action Program.
- P. Intentionally blank.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the Contract and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Contract.

PSC – 30. 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 Contractor will fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) 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; (3) 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 (4) 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.

PSC – 31. LIVING WAGE ORDINANCE

- A. Unless otherwise exempt, the 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. This Ordinance requires 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 PSC-31 and shall incorporate the provisions of the LWO.
 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.

6. Contractor shall post a copy of the Notice to Employees Working on City Contracts Re: Living Wage Ordinance and Prohibition Against Retaliation, which is attached to the contract hereto as Exhibit C, in a prominent place in an area frequented by employees.
- B. Under the provisions of Section 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 the LWO provision.
- 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.

PSC – 32. SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time.

PSC – 33. AMERICANS WITH DISABILITIES ACT

Contractor hereby certifies that it will comply with the Americans with Disabilities Act, 42 USC §12101 *et seq.*, and its implementing regulations (ADA), the Americans with Disabilities Act Amendments Act of 2008 (ADAAA), Pub. L. 110-325 and all subsequent amendments, Section 504 of the Rehabilitation Act of 1973 (Rehab. Act), as amended, 29 USC 794 and 24 CFR Parts 8 and 9, the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40, and the Fair Housing Act, 42 U.S.C. 3601, *et seq.*; 24 CFR Parts 100, 103, and 104 (FHA) and all implementing regulations. The 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 ADA, the ADAAA, the Rehab Act, the UFAS and the FHA 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 a disability. Any subcontract entered into by the Contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC – 34. 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.

PSC – 35. 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.

PSC – 36. 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.”

PSC – 37. 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.

PSC – 38. FIRST SOURCE HIRING ORDINANCE

Unless otherwise exempt, 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 estimates it 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: (1) at least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Housing and Community Investment Department (HCID), which will refer individuals for interview; (2) interview qualified individuals referred by HCID; and (3) prior to filing 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 contract, 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 Contractor intentionally violated or used hiring practices for the purpose of avoiding the FSHO, that determination will be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 *et seq.*, and must be documented in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted under the Los Angeles Administrative Code Section 10.40 *et seq.* This measure does not limit the City's authority to act under the FSHO.

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 Contractor has violated provisions of the FSHO.

PSC – 39. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12)

The Contractor, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Contractor is required to provide and update certain information to the City as specified by law. Any Contractor subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are a subcontractor on City of Los Angeles Contract #_____. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to Contractor within ten (10) business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

Contractor, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

PSC – 40. CALIFORNIA IRAN CONTRACTING ACT OF 2010

In Accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and

services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

EXHIBIT L
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 U.S.C. §200 *et seq.* (Pub.L. 95-517, Pub.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. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 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 material (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, access, 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 government purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement. Contractor shall comply with 24 CFR 85.34.

D. Rights to Data

1. 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 U.S.C. §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)).
2. 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 subcontracts.

E. Intellectual Property Provisions for California Sub-Grants – **IF APPLICABLE**

This Agreement is funded in part with federal "pass through" funds from the State of California (State). The following requirements are applicable to this Agreement. In any Contract funded in whole or in part by the

federal government, City/State may acquire and maintain the Intellectual Property rights, title, and ownership, which result directly or indirectly from the Contract, except as provided in 37 Code of Federal Regulations Part 401.14. However, pursuant to 29 CFR Part 97.34, the federal government shall have a royalty-free, non-exclusive, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

F. Ownership

1. Except where City/State has agreed in a signed writing to accept a license, City/State shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all intellectual property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement.
2. For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents (whether or not issued,) copyrights, trademarks, service marks, applications for any of the foregoing: inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will any data or information maintained, collected or stored in the ordinary course of business by City/State, and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country, jurisdiction.
3. For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter, including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works, including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos, computer software and any other materials of products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. "Works" does not include articles submitted to peer review or reference journals or independent research projects.
4. In the performance of this Agreement, Contractor may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, Contractor may access and utilize certain of City's/State's Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, Contractor shall not use any of City's/State's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of City/State. Except as otherwise set forth herein, neither Contractor nor City/State shall give any ownership interest in or rights to its Intellectual Property to the other Party. If, during the term of this Agreement, Contractor accesses any third-party Intellectual Property that is licensed to City/State, Contractor agrees to abide by all license and confidentiality restrictions applicable to City/State in the third-party's license agreement.
5. Contractor agrees to cooperate with City/State in establishing or maintaining City/State's exclusive rights in the Intellectual Property, and in assuring City's/State's sole rights against third-parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor shall require the terms of agreement(s) to include all Intellectual Property provisions herein. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to City/State all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to

practice by the subcontractor, Contractor or City/State and which result directly indirectly from this Agreement or any subcontract.

6. The requirement for the Contractor to include all Intellectual Property Provisions in all agreements and subcontracts it enters into with other parties does not apply to agreements or subcontracts that are for customized and on-the-job-training as authorized under 20 CFR 663.700-730.
7. Contractor further agrees to assist and cooperate with City/State in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony, and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce City's/State's Intellectual Property rights and interests.

G. Retained Rights/License Rights

1. Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this Agreement. Contractor hereby grants to City/State, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose of Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this Agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
2. Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this Agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of City/State or third-party, or result in a breach or default of any provisions herein or result in a breach of any provisions of law relating to confidentiality.

H. Copyright

1. Contractor agrees that for purposes of copyright law, all works made by or on behalf of Contractor in connection with Contractor's performance of this Agreement shall be deemed "works for hire." Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to City/State to any work product made, conceived, derived from or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement.
2. All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement may not be reproduced or disseminated without prior written permission from City/State.

I. Patent Rights

With respect to inventions made by Contractor in the performance of this Agreement, which did not result from research and development specifically included in the Agreement's scope of work, Contractor hereby grants to City/State a license for devices or material incorporating, or made through the use of such

inventions. If such inventions result from research and development work specifically included within the Agreement's scope of work, then Contractor agrees to assign to City/State, without additional compensation, all its rights, title and interest in and to such inventions and to assist City/State in securing United States and foreign patents with respect thereto.

J. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of Contractor or third-party without first: (i) obtaining City's/State's prior written approval; and (ii) granting to or obtaining for City's/State's, without additional compensation, a license, as described in Section F.3 above, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon these terms is unattainable, and City/State determines that the Intellectual Property should be included in or is required for Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to City/State.

K. Warranties

1. Contractor represents and warrants that:

- a. It has secured and will secure all rights and licenses necessary for its performance of this Agreement. Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There are currently no actual or threatened claims by any such third-party based on an alleged violation of any such right by Contractor.
- b. Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- c. It has secured and will secure all rights and licenses necessary for Intellectual Property, including, but not limited to, consents, waivers or releases from all authors or music or performances used, and talent (radio, television, and motion picture talent), owners of any interest in and to real estate, site locations, property or props that may be used or shown.
- d. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to City/State in this Agreement.
- e. It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance or computer software in violation of copyright laws.
- f. It has not knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.

2. City/State make no warranty that the intellectual property resulting from this subgrant Agreement does not infringe upon any patent, trademark, copyright or the like, now existing or subsequently issued.

L. Intellectual Property Indemnity

1. Contractor shall indemnify, defend and hold harmless City/State and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products ("Indemnities") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third-party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim action, or proceeding, commenced or threatened) to which any of the Indemnities may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to: (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of City's/State's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or City/State and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that was issued after the effective date of this Agreement. City/State reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against City/State.
2. Should any Intellectual Property licensed by the Contractor to City/State under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve City's/State's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to City/State. City/State shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for City/State to continue using the licensed Intellectual Property, or replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, City/State may be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
3. Contractor agrees that damages alone would be inadequate to compensate City/State for breach of any term of these Intellectual Property provisions herein by Contractor. Contractor acknowledges City/State would suffer irreparable harm in the event of such breach and agrees City/State shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

M. Survival

The provisions set forth herein shall survive any termination or expiration of this Agreement or any project schedule.

**CITY OF LOS ANGELES
COMMUNITY DEVELOPMENT DEPARTMENT
MEMORANDUM OF UNDERSTANDING**

COMMUNITY DEVELOPMENT BLOCK GRANT

Agreement No.

Department:

Consolidated Plan Year:

Catalog of Federal Domestic Assistance (CFDA) 14.218

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ATTACHMENT

ATTACHMENT I STANDARD PROVISIONS AND GRANT REQUIREMENTS

EXHIBITS

- EXHIBIT A CERTIFICATION REGARDING DEPARTMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS
- EXHIBIT B CERTIFICATION REGARDING LOBBYING
- EXHIBIT C REAL PROPERTY LEGAL DESCRIPTION (IF APPLICABLE)
- EXHIBIT D CONTRACT AND SUBCONTRACT ACTIVITY (HUD-2516)
- EXHIBIT E SEMI-ANNUAL LABOR STANDARDS ENFORCEMENT REPORT – LOCAL CONTRACTING AGENCIES (HUD-4710)
- EXHIBIT F SECTION 3 SUMMARY REPORT (HUD-60002)

THIS Memorandum of Understanding (hereinafter referred to as "Agreement") is entered into between the Community Development Department, hereinafter called CDD, and _____, for purposes of this Agreement hereinafter called the Department.

RECITALS

WHEREAS, the City has entered into a Grant Agreement with U. S. Department of Housing and Urban Development, hereafter called "HUD" or the "GRANTOR", pursuant to Title I of the Housing and Community Development Act of 1974, as amended, to address the needs of the City, and the Grantor has awarded Community Development Block Grant (CDBG) funds to the City for this purpose; and

WHEREAS, CDD has been designated by the City to provide for the proper planning, coordination, direction and management of the City's various community development activities; and

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

WHEREAS, the project or projects that is/are the subject of this Agreement, hereinafter called Project(s), has/have been funded in the 38th Program Year (2012-2013) Consolidated Plan/CDD budget by the HUD pursuant to the CDBG Program; and

WHEREAS, the Department hereby acknowledges that the City and CDD, as the recipient of the HUD grant funds, have certain responsibilities regarding the administration of the grant funds, and the Department desires to undertake these responsibilities on behalf of the City and CDD and be responsible for compliance with all laws, rules and regulations imposed by HUD and the City; and

WHEREAS, the City and the Department are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number 11-1593 dated March 9, 2012) that authorizes the General Manager of the Community Development Department to prepare and execute the Agreement, and

WHEREAS, the Department has agreed to provide the services and operate the Project in accordance with and as set forth by this Agreement;

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

1. **INTRODUCTION**

§101 **PARTIES TO THE AGREEMENT**

The parties to this Agreement are Departments within the City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, CA 90012. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be forwarded are as follows:

A. CDD, represented by:

Richard L. Benbow, General Manager
Community Development Department
1200 West 7th Street, Sixth Floor
Los Angeles, CA 90017

With copies to:
, Director
System

B. Department, represented by:

, (Name and Title)
(Street Address)
(City Zip Code)

With copies to:
, (Name and Title)
(Street Address)
(City Zip Code)

§102 **SERVICE OF NOTICES**

- A. Formal notices, demands, and communications required by this Agreement to be given by either party shall be made in writing and may be delivered personally or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing.
- B. If the name and/or address of the person designated to receive the notices, demands or communications changes, the affected party shall notify the other party in writing of the change in accordance with this section within five (5) days of the change.

§103 **TERM OF THE AGREEMENT**

- A. The term of this Agreement shall be from _____ to _____ and any additional time as may be necessary to close out activities and achieve national objectives, provided that said term is subject to the provisions of this Agreement. Performance shall not commence until the Department has obtained CDD's approval of required documents described in this Agreement, including but not limited to the CDBG Project Eligibility and Compliance Form (formerly referred to as a Project and Expenditure Plan "PEP"), and is in receipt of those and/or other documents as described in this Agreement.
- B. CDD may, at its discretion, agree to extend this Agreement and/or provide additional funds to the Department. Funding for Agreement extensions will be based on the availability to CDD of Federal funds and upon the Department's successful performance of all terms of this Agreement.

§104 **AMENDMENTS**

Either party may request an amendment to this Agreement. Amendments to this Agreement must be in writing and properly executed by both CDD and the Department. No verbal agreement or conversation with any employee of either party shall affect or modify any terms and conditions of this Agreement.

The Department agrees to comply with all future CDD directives and any rules, amendments or requirements promulgated by CDD affecting this Agreement.

2. DUTIES AND REQUIREMENTS OF THE DEPARTMENT

§201 DEPARTMENT RESPONSIBILITIES

Department shall ensure that program activities are implemented in accordance with the policies of this Agreement, the rules and regulations of the CDGB, HUD, the State of California, and contract policies as approved by the Los Angeles City Council and the Mayor as detailed in Attachment I, incorporated herein by this reference. Department shall comply with all Federal, State and City directives, Information Bulletins, information notices, and/or other written communication relative to this program.

§202 PROJECT ELIGIBILITY AND NATIONAL OBJECTIVE

Department shall prepare and submit a Project Eligibility and Compliance Form. CDD will use the information on the form to confirm that the project meets both a HUD National Objective and HUD Eligibility criteria.

§203 STATEMENT OF WORK TO BE PERFORMED BY THE DEPARTMENT FOR CONSTRUCTION/CAPITAL PROJECT(S)

A. Purpose and General Requirements of the Department

The Statement of Work is a description of the services to be provided by the Department. Should the Department determine a need to alter significantly the services described, approval must be requested in writing. The approval must be received from CDD in writing before any change is implemented and may require City Council action and an amendment to the Agreement.

The Department shall provide the following services in accordance with the 38th Program Year (2012-2013) Consolidated Plan:

Project ID	Project Title	Description of Services	Type of Project

1. The Department shall, in furtherance of this Agreement, identify type of project (select only applicable):
 - a. Acquire real property and improvements, and/or
 - b. Renovate an existing building, and/or
 - c. Construct a new facility, and/or
 - d. Construction of public improvements, AND
 - e. All specific activities contained in Subsection B, Specific Requirements of the Department.

The activities enumerated above can be eliminated, expanded or modified with prior CDD review and approval. It is understood by both parties that CDD makes no commitment to increase funding should conditions change which would preclude the completion of the elements listed as activities in this section.

B. Specific Requirements of the Department

In furtherance of the general requirements, the Department shall perform, but not be limited to the following tasks:

1. Ensure that reports, permits, forms, certifications, and other documents required by federal, state, and local requirements be submitted expeditiously to various governing or regulatory bodies to avoid delays in completing the general requirements of this Agreement.
2. The Department shall identify and provide corrective action on those issues or barriers that impede or delay the completion of the Project as defined in this Agreement. The Department shall notify CDD, in writing, within 10 working days of discovering those issues or barriers, and provide a corrective action plan of resolution with sub-activities and milestone completion dates. The Department shall impose a duty on its contractor(s) to do the same.
3. Ensure that the Architect and/or the General Contractor and their subcontractors comply with all applicable United States, State of California, County of Los Angeles, and City statutes, rules, regulations, and reporting requirements in the completion of the general requirements of the Department as defined in this Agreement.
4. Ensure that the Architect prepares the proposed plans so that construction can be completed within the available construction budget.
5. The Department shall ensure compliance with all applicable City and HUD requirements, including but not limited to bidding requirements, prevailing wages, service repayment and reversion of assets.
6. The Department shall submit quarterly status reports to CDD in accordance with instructions provided via CDBG Information Bulletins and Directives and in accordance with Attachment I.

C. Description of Real Property

The real properties and improvements to be affected by this Agreement are located at and is further described in Exhibit C (Real Property Legal Description), attached hereto and incorporated herein by this reference.

Project Title	Real Property Location

§204 COMPLIANCE WITH CDD REQUIREMENTS

CDD will monitor the Department for compliance with CDBG regulations and the Department shall cooperate with CDD in its monitoring efforts and shall give CDD prompt access to the Departments records and documents that pertain to CDBG funding activities. The Department shall also cooperate with and assist CDD in its reporting requirements to HUD by promptly responding to requests for information and documentation by CDD and promptly providing any such information and documentation. Further, the Department shall promptly pursue corrective action as may be instructed by CDD to ensure compliance with all applicable regulations.

A. All CDBG funded entities shall:

1. Oversee and monitor all program activities of contractors.
2. Safeguard and manage all funds paid to the Department including those issued for payment to contractors.
3. Comply with administrative directives and bulletins issued by CDD.

4. Submit reports to CDD that identify their expenditures and progress in meeting the objectives of their funded activity.
5. Be prepared to present on status of project's progress in meeting the objectives of their funded activity to the Commission on Community and Family Services upon request.

B. Reporting Requirements

The Department shall submit quarterly status reports to CDD in accordance with instructions provided via CDBG Information Bulletins and Directives and in accordance with Attachment I.

C. Fiscal Monitoring Requirements

The Department is responsible for fiscal oversight of its contractor(s) and subcontractor(s). The Department shall conduct fiscal review, as appropriate for the Project(s). Fiscal review shall include but not be limited to site verification of time sheets, payroll registers, vendor invoices, canceled checks, and other documents deemed necessary to support claims for reimbursement.

§205 TECHNICAL ASSISTANCE

Should the Department need technical assistance from CDD regarding matters that are the subject of this Agreement, the Department shall submit a written request to CDD identifying the nature of the problem, the action the Department has taken to resolve the problem, and the type of assistance needed.

3. COMPENSATION

§301 DEPARTMENT COMPENSATION FOR CONSTRUCTION/CAPITAL PROJECT(S)

A. Compensation

CDD shall pay to the Department an amount not to exceed that specified in the Project Budget Summary for complete and satisfactory performance of the terms of this Agreement, subject to the provisions of this Agreement. The following Project Budget Summary is the total of the planned funds and expenditures for the term of this Agreement.

PROJECT BUDGET SUMMARY

1. Project Title: _____

	CDBG Funds	Department/ Funds: (Identify)	CDBG Program Income (if any)	Estimated TOTAL COST/FUNDS
Total Project Costs/Funds				

2. Project Title: _____

	CDBG Funds	Department/ Contractor Funds: (Identify)	CDBG Program Income (if any)	Estimated TOTAL COST/FUNDS

Total Project Costs/Funds			
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(Insert additional Project Budget Summary tables as needed, one for each project.)

- B. Funding as set by the foregoing subsection A is subject to change in accordance with the availability of Grant funds provided to the City by the Grantor and CDD reserves the right to change the amount of compensation set forth herein accordingly.
- C. The Department’s reimbursement for expenses incurred in the performance of this Agreement shall be made only upon acceptance by CDD of the Department’s invoice and supporting documentation as described in Attachment I of this Agreement.
- D. CDD assumes no responsibility to pay for salaries or other expenses not specifically enumerated in this Agreement and as detailed in the Project Budget Summary. It is understood by both parties that CDD makes no commitment to fund this project beyond the term of this Agreement.
- E. The Department shall report to CDD and provide evidence of all other funding sources that supplement or augment activities set forth by this Agreement, including those Department funds cited in the Project Budget Summary.

4. REMEDIES

§401 NOTICE TO CORRECT PERFORMANCE

- A. CDD may notify the Department of its failure to comply with the terms and conditions of this Agreement by giving written notice, effective upon date of such notice, which states the specific performance deficiencies to be corrected.
- B. Within five (5) working days, the Department shall reply in writing setting forth the corrective actions that will be undertaken to remedy the performance deficiencies, which actions are subject to CDD’s written approval.
- C. The Department shall thereafter submit monthly progress reports to CDD in accordance with CDD’s approved corrective action plan specifying the actions taken and resolution of the performance deficiencies.

§402 SUSPENSION OF THE AGREEMENT

- A. CDD may, by giving written notice, suspend all or part of the project operations for the Department’s failure to comply with the terms and conditions of this Agreement. This Notice of Suspension shall be effective upon the date of CDD’s written notice.
- B. This notice shall set forth the specific conditions of noncompliance and the period provided for corrective action.
- C. Within five (5) working days from the date of CDD’s written notification, the Department shall reply in writing setting forth the corrective actions which will be undertaken, subject to CDD’s written approval.

§403 TERMINATION OF AGREEMENT

- 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, 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.

- B. The Department shall retain and dispose of all documents and records related to this Agreement, in accordance with CDD Directives or written instructions.
- C. The Department shall return to CDD all equipment that was purchased with grant funds pursuant to this Agreement.
- D. Upon satisfactory completion and documentation of termination activities, CDD shall determine the total amount of funds earned by the Department.
- E. CDD may withhold any payments due to the Department after notice of termination has been issued, for the purpose of set-aside, until the exact amount of unearned dollars due to the Department is determined.
- F. Subsections B, C, D, and E above shall also apply to termination of this Agreement upon the date specified in §103 hereinabove, or upon completion of performance under this Agreement.

5. ENTIRE AGREEMENT

§501 COMPLETE AND INTEGRATED AGREEMENT

This Agreement contains the full, complete and integrated Agreement between the two parties. No verbal agreement or conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement. Except as amended, all terms and conditions shall remain in full force and effect. The provisions of this Agreement that impose an on-going duty shall survive beyond the termination or expiration of the Agreement.

§502 NUMBER OF PAGES AND ATTACHMENTS

This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement includes () pages, one (1) Attachment, and six (6) Exhibits, that constitute the entire understanding and agreement of the parties.

6. SIGNATURE

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

RICHARD L. BENBOW
General Manager
Community Development Department

General Manager

(Department)

By: _____
RHONDA GASTON,
Assistant General Manager

By: _____
Name:
Title:

Executed this _____ day of _____, _____

Executed this _____ day of _____, _____

ATTACHMENT I
MEMORANDUM OF UNDERSTANDING
CDBG
STANDARD PROVISIONS AND GRANT REQUIREMENTS

A-1. INSURANCE

During the term of this Agreement the Department shall require its contractor(s) to provide and maintain a program of insurance having coverage and limits in the amounts and types listed on the Required Insurance and Minimum Limits Sheet (Form Gen. 146). Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles–Instructions And Information On Complying With City Insurance Requirements (Revised 10/09) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when such status is appropriate and available depending on the nature of applicable coverage; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at option of the insurer; 3) be primary with respect to City's insurance plan.

Track4LA™ is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. **Track4LA™** can be accessed at <http://track4la.lacity.org>. Additional instructions and information on complying with City of Los Angeles insurance requirements can be found at http://cao.lacity.org/risk/Submitting_proof_of_Insurance.pdf.

A-2. CONFLICT OF INTEREST

No City-funded Employees as Board Members

The Department shall not execute any Agreements and/or Amendments with contractors where an employee (an individual who is paid or receives any financial benefit from funds from the Agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

Code of Conduct

The Department shall require that all Contractors/Subcontractors adopt a Code of Conduct that, at a minimum, reflects the constraints discussed in CDD Directive Number FY07-0001. No Agreements and/or Amendments will be executed, without the Department first obtaining and submitting to CDD for approval, a Code of Conduct from each of its contractors/subcontractors.

The Department shall require contractors/subcontractors to comply with the following conflict of interest requirements:

Conflict of Interest

A. 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.

B. 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 City funds (regardless of source) 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 domestic 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.

C. Definitions:

1. The term "immediate family" includes but is not limited to domestic partner and/or 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.
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. A subcontract is any agreement entered into by Contractor for the purchase of goods or services with any funds provided by this Agreement.

D. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.

E. No director, officer, employee (or agent) of the Contractor may be on the Board of Directors if they receive any financial benefit provided by any City Agreement.

F. 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 sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).

G. 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.

H. 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.

I. 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.

J. 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 or for one year thereafter.

K. 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".

L. The Contractor warrants that it has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

A-3. COMPLIANCE WITH STATE AND FEDERAL STATUTES AND REGULATIONS

The Department shall comply and shall also require its contractor(s) to comply with all applicable statutes, rules, regulations, and orders of the United States, the State of California, the County and City of Los Angeles. Failure to comply with any of the following provisions may result in suspension, termination or reduction of grant funds, and repayment by the Department and/or its contractor of any unlawful expenditures. The Department and its contractor(s) shall also comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. The Department and/or its contractor(s) shall comply as follows:

A. Statutes and Regulations Applicable To All Grant Contracts

The Department/contractor shall comply with all applicable requirements of State, Federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies, and any other requirements governing this Agreement. The Department/contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. The Department/contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

1. Office of Management and Budget (OMB) Circulars

The Department/contractor shall comply with OMB Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for public agencies or 2 CFR 215 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

2. Single Audit Act

The Department/contractor shall adhere to the rules and regulations of the Single Audit Act, 31 USC Sec. 7501 *et seq.*; City Council action dated February 4, 1987 (C.F. No. 84-2259-S1); and any administrative regulation or field memos implementing the Act.

3. Americans with Disabilities Act

Department/contractor shall comply with the Americans with Disabilities Act 42, USC §12101 *et seq.*, and its implementing regulations and the Americans with Disabilities Act Amendments Act (ADAAA) Pub. L. 110-325 and all subsequent amendments. Department/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 with Disabilities Act Amendments Act (ADAAA) Pub. L. 110-325 and all subsequent amendments. Department/contractor will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by the Department/contractor, relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

4. Political and Sectarian Activity Prohibited

None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used

for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.

If this Agreement provides for more than \$100,000 in grant funds or more than \$150,000 in loan funds, the Department shall require its Contractor(s) to submit to the City a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with 31 USC 1352. A copy of the Certificate is attached hereto as Exhibit B. No funds will be released to Contractor until the Certification is filed.

The Department shall require its contractor(s) shall file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any Disclosure Form previously filed by Contractor. Contractor shall require that the language of this Certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

5. Records Inspection

At any time during normal business hours and as often as the City/CDD, HUD, the U.S. Comptroller General and the Auditor General of the State of California, through any authorized representative, may deem necessary, both the Department and its contractor(s) shall make available for examination all of its records, paper or electronic, with respect to all matters covered by this Agreement. The City/CDD, HUD, the U.S. Comptroller General, and the Auditor General of the State of California, through any authorized representative, shall have the authority to audit, examine, and make excerpts or transcripts from records, including all Department and contractor invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

6. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the CDD with respect to all matters covered on file for all documents specified in this Agreement. Original forms are to be maintained on file for all documents specified in this agreement. Such records shall be retained for a period of five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. CDD may, at its discretion, take possession of, retain, and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the CDD.

7. Contracts, Subcontracts and Procurement

The Department/contractor shall comply with the federal and City/CDD standards in the award of any contracts/subcontracts. For purposes of this Agreement, contracts and subcontracts shall include but not be limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction contracts.

The Department shall require its contractor(s) to ensure that the terms of this Agreement with CDD are incorporated into all subcontractor agreements. The Department shall withhold funds to any contractor agency that fails to comply with the terms and conditions of this Agreement and their respective contractor agreement.

The Department and its contractor(s) shall conduct procurement in a manner that provides for full and open competition. The Department and its contractor(s) shall perform a cost or price analysis in connection with every procurement action, including contract modifications, to determine that the expenditure is reasonable. When any purchase is made, it can only be for an allowable cost. Invitations for bids shall clearly set forth all requirements that the bidder must fulfill in order for his bid to be evaluated by the grantee. Specific procurement requirements and

procedures are set forth in 24 CFR §85.36, 24 CFR §84.44, and Los Angeles City Charter §§371 and 372. The Department shall consult with CDD prior to any procurement action to ensure compliance with the federal grant requirements.

8. Labor

The Department/contractor shall comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 C.F.R. 900, Subpart F).

The Department/contractor shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7) and as supplemented by Department of Labor regulations (29 CFR part 5); the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874) and as supplemented by Department of Labor regulations (29 CFR part 3); and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) and as supplemented by Department of Labor regulations (29 CFR part 5).

The Department/contractor shall comply with the Federal Fair Labor Standards Act (29 USC § 201) regarding wages and hours of employment.

None of the funds shall be used to promote or deter union/labor organizing activities. CA Gov't Code Sec. 16645 et seq.

The Department/contractor shall comply with the Hatch Act (5 USC §§1501-1508 and 7324-7328).

The Department/contractor shall comply with the provisions of Article 3, Chapter 1, Part 7, Division 2 of the Labor Code of California, the California Child Labor Laws and all other applicable statutes, ordinances, and regulations relative to employment, wages, hours of labor and industrial safety.

9. Civil Rights

The Department/contractor shall comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicaps; (d) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; (j) the requirements of any other nondiscrimination statute(s) which may apply to the application; (k) P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance; (l) Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 U.S.C. 2000e); (m) the Americans with Disabilities Act, 42 USC §12101 et seq., and the Americans with Disabilities Act Amendments Act, Pub.L.110-325; and (n) the Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.

10. Environmental

The Department/contractor shall comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

The Department/contractor shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986; (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and (j) Section 508 of the Clean Water Act (38 U.S.C. 1360).

The Department/contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

The Department/contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4822 et seq.) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

The Department/contractor shall comply with the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.) that restores and maintains the chemical, physical and biological integrity of the Nation's waters.

The Department/contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA. Department/contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

11. Preservation

The Department/contractor shall comply with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

12. Suspension and Debarment

The Department shall require its contractor(s) to comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and contractor shall submit a Certification Regarding Debarment required by Executive Orders 12459 and 12689, and any amendment thereto. Said Certification shall be submitted to the Department concurrent with the execution of a contract under this Agreement and shall certify that neither contractor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department head or agency. The

Department shall require its contractor(s) to include the language of this Certification in all subcontracts and that all subcontractors certify accordingly.

13. Drug-Free Workplace

The Department/contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §701, 28 CFR Part 67; the California Drug-Free Workplace Act of 1990, CA Gov't Code §§ 8350-8357.

14. Animal Welfare

The Department/contractor shall comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 USC §§2131 et. seq.)

15. The Department/contractor shall assure, pursuant to the Consolidated Appropriations Act of 2008 (P.L. 110-161) grant funds must not be used in contravention of the federal buildings performance and reporting requirements of Executive Order No. 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et Seq.) or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby), nor shall grant funds be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC 13212).

16. The Department/contractor must comply with Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

The Department/contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

17. The Department/contractor shall assure, pursuant to Public Law 103-333, §507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.

18. The Department/contractor shall administer this Agreement in accordance with OMB requirements contained in the following Circulars: Common Rule, Subpart C, for public agencies, or 2 CFR 215 for nonprofit organizations.

19. The Department shall require its contractor(s) to acknowledge 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 Ten Thousand Dollars (\$10,000) per false claim.

20. Relocation

If relocation is required, the costs of such relocation may be paid from the funds provided through this Agreement. Department/contractor is required to provide full benefits, including advisory services, moving expenses and replacement housing as specified in Uniform Relocation Assistance and Real Property Acquisitions Policies Act and HUD Handbook 1378. The Department/contractor shall assist tenants in filing claims using the HUD claim form and will attach supporting documents to each claim form (lease agreements or hotel receipts and utility bills, proof of income where required). The Department/contractor shall file a report monthly on the status of the move and the payments. The Department/contractor will maintain files on each tenant and will make them available to CDD or HUD staff upon request. Relocation and property

acquisition shall be conducted in compliance with pertinent federal, state and local requirements including the Federal Acquisition Regulation (Title 48 Code of Federal Regulations).

B. Statutes and Regulations Applicable to this Grant Agreement:

1. Community Development Block Grant Program

Department/contractor shall comply with all federal statutes and regulations pertaining to the Community Development Block Grant program, including, but not limited to 42 U.S.C. §5301 *et seq.*, and 24 CFR Parts 84, 85, and 570.

2. Asbestos and Lead-Based Paint:

Laws and regulations pertaining to abatement of asbestos containing materials (ACM) and lead-based paint (LBP) including insuring that all personnel involved in the abatement of removal process of all ACM and LBP will wear the necessary, legally required protective clothing and respiratory gear.

3. Archaeological Sites:

If archaeological sites are determined to be located in the vicinity of the project which is the subject of this agreement, a halt work condition is required to allow a state certified archaeologist to assess findings and all work to continue in non-archaeological areas.

4. Equal Employment Opportunity

Compliance with Executive Order 11246, "Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR part 60).

5. Federal Acquisition Regulation, 48 CFR, Part 31.

A-4. INVENTIONS, PATENTS AND COPYRIGHTS

A. Inventions and Discoveries

1. Reporting Procedure

If any invention or discovery conceived and/or reduced to practice, whether patentable or not under U.S. patent law, is produced or made during performance of this Agreement ("Invention") including, without limitation, processes and business methods, the Contractor shall promptly report the Invention to the CITY and keep the Invention confidential until directed otherwise by the CITY. The CITY shall then report the Invention to the Grantor. Contractor further agrees to oblige by all applicable provisions under the Bayh-Dole Act, as codified in 35 U.S.C. §§ 200-212 and augmented by relevant laws including 37 C.F.R. § 401.

2. Allocation of Patent Rights

The rights in the Invention, including rights under any patent issued thereon, will be determined in accordance with 37 CFR §401.

B. Copyright Policy

1. 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 government

purposes, any Material developed under this Agreement or any Copyright purchased under this Agreement. Contractor shall comply with 24 CFR 85.34.

C. Rights to Data

1. 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 U.S.C. Section 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)).
2. Obligations Binding on Contractors/Subcontractors: The Department shall require all Contractors to comply with the obligations of this section 405 and also require its subcontractors to comply by incorporating the terms of this section into all subcontracts.

A-5. RETURN OF PROGRAM INCOME

The Department shall, within forty-five (45) days of the expiration of this Agreement, transmit to CDD any, and all, program income directly generated by funds provided by the Agreement. CDBG Program Income is defined in 24 CFR 85.25 and 24 CFR 570.500. Any program income on hand when this Agreement expires, or received after the Agreement expiration, shall be paid as required by 24 CFR 85.25 and 24 CFR 570.503(b)(8).

A-6. RETURN OF UNEXPENDED FUNDS AND CLOSEOUTS

A. Upon completion or termination of this Agreement any unexpended funds, whether advances, interest earned on advances or unearned funds, shall be immediately returned to CDD, in no event later than forty five (45) days after completion or termination.

B. The Department shall submit a complete and accurate final closeout invoice of costs and reimbursements for services performed under this Agreement to the CDD within forty-five (45) days following the termination or completion of this Agreement. Failure to comply with this forty-five (45) day requirement may result in a unilateral close-out of this Agreement by CDD based on previous invoices filed with CDD, and/or the imposition of sanctions as specified herein. Requests for payment after the 45 days shall not be paid by CDD.

A-7. REPORTING REQUIREMENTS

A. General Reporting: The Department shall furnish to CDD at the times and on the forms and formats, electronically or manually, as CDD may require all records, reports, data and information pertaining to matters covered by this Agreement.

B. Program Reporting: The Department shall submit to CDD the following program reports as identified below. The Department shall submit to CDD all required documents in accordance with all CDD procedures and directives, which are incorporated herein by reference.

1. Monthly Fiscal Report

The Department shall submit monthly fiscal reports as prescribed by CDD that identify their expenditures and progress in meeting the objectives of their funded activity.

2. HUD Report

The Department shall provide performance reports and status updates at least once a year on the forms and formats to be determined by CDD. The Department shall also submit to CDD the following HUD reports in accordance with 24 CFR Part 135 as identified below:

- a. Contract and Subcontract Activity Report – Due on or before November 30 each year for all projects. Form HUD-2516 is attached hereto as Exhibit D.
 - b. Semi-Annual Labor Standards Enforcement Report – Local Contracting Agencies – Due on or before April 1 and October 1 each year for construction, rehabilitation, public works, and other similar projects. Form HUD-4710 is attached hereto as Exhibit E.
 - c. Section 3 Summary Report – Due on or before April 15 each year for construction, rehabilitation, public works, and other similar projects. Form HUD-60002 is attached hereto as Exhibit F.
3. Closeout Report
- a. Within 45 calendar days following the termination of this Agreement, the Department shall submit to CDD, on forms provided by CDD, a complete and accurate final closeout invoice including accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the close-out. Final requests to modify Budget Summary/Expenditure/Work Plan shall be submitted to CDD before final closeout. By submission of the closeout invoice, the Department certifies that: i) Costs reported and payments requested are valid and consistent with the terms of the Agreement; and, ii) Cash payments received from CDD shall be used to pay only for expenditures reported in the final closeout invoices. Costs reported are subject to CDD verification.
 - b. In the event that the Department does not submit a final closeout or other required documentation within the prescribed time frame, CDD reserves the right to unilaterally closeout the Agreement and use the invoice then on file at CDD for determination of the Department's final allowable expenditures. CDD will not reimburse the Department for expenditures reported after the 45-day closeout date following the termination of this Agreement.

A-8. RETENTION AND MAINTENANCE OF RECORDS

A. Record Retention

Records, in their original form, shall be maintained in accordance with requirements prescribed by the Grantor and the City with respect to all matters covered by this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Unaltered copies of eligibility documents are acceptable. These records shall be retained for a period of five years after termination of this Agreement and after final disposition of all pending matters. Pending matters include, but are not limited to, an audit, litigation, or other actions involving records. CDD may, at its discretion, take possession of and retain the records. Before destruction of records retained under this Agreement, the Department shall notify CDD and request instructions on disposition of the records.

B. Records Maintenance

To ensure compliance with CDBG regulations, the Department shall establish and maintain all records as set forth in 24 CFR 570.506 to demonstrate that each activity undertaken as part of the Project meets the national objective identified in the Agreement. Further, the Department shall ensure that its subcontractors comply with such recordkeeping requirements. The Department shall cooperate with and assist CDD in meeting its reporting requirements to HUD by promptly responding to all requests for information and documentation by CDD and promptly providing such information and documentation

C. Location of Records: Records (including, but not limited to, client or participant files and fiscal documents in their original form) pertaining to matters covered by this Agreement shall at all times, be retained within the County of Los Angeles unless authorization to remove them is granted in writing by CDD.

A-9. EQUIPMENT RECORDS

A. Nonexpendable personal property (equipment) acquired pursuant to this Agreement shall be properly maintained and accounted for as set forth below:

A record shall be maintained for each item of equipment acquired for the program. Equipment is nonexpendable property, which is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one year or more. Items costing below \$5,000, but falling into the following categories are also considered equipment and records must be maintained for them: (1) electronic communications equipment for stationary or vehicular use, including cellular telephones acquired by lease or purchase, and (2) electronic office equipment as follows – facsimile machines, copiers, electric typewriters, personal computers (monitors and CPU's), terminals, and printers.

The record shall include: (1) description of the item of equipment, including model and serial number, if applicable; (2) date of acquisition; (3) the acquisition cost or assigned value to the program; and (4) source of acquisition.

B. All equipment obtained under this Agreement shall have a City identification decal affixed to it. The identification decal, when practical, shall be affixed where it is readily visible.

C. A physical inventory shall be taken by the Department and reconciled with the record card annually or at other times as the City shall prescribe.

A-10. PURCHASE OR LEASE OF EQUIPMENT

Prior to the purchase or lease of equipment the Department shall notify CDD in writing and shall comply with all requirements described in this Agreement.

The term equipment as used in this Agreement shall be defined to mean personal property.

The Department shall notify CDD in writing before using equipment for this Agreement that was or is to be purchased or leased with public funds not provided by this Agreement. Purchase or lease payments for this equipment shall not be made from funds under the terms of this Agreement.

A. Lease of Equipment

A copy of each executed equipment lease agreement shall be submitted to CDD before payment.

B. Purchase of Equipment

All personal property purchased under this Agreement with funds provided in this Agreement shall become the property of CDD and shall be returned to CDD upon the termination of this Agreement, except as provided otherwise by CDD in writing. The Department shall file all Uniform Commercial Code statements for any eligible property purchased with funds from this Agreement and deliver a copy of the filing to CDD.

The property shall be used and maintained by the Department as follows:

1. Property shall be used solely in the performance of this Agreement.
2. No modifications shall be made to the property without the prior written approval of CDD.
3. The Department shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the property is under the control of the Department, except losses, damage or destruction resulting from reasonable wear and tear. Damage, loss, or destruction of the property shall be immediately reported to CDD.

C. Purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles require prior CDD written approval.

Disposition of nonexpendable personal property shall be in accordance CDD instructions or directives. The Department shall not sublease, assign, or amend in any manner leases paid for with funds under this Agreement without prior written CDD approval.

The Department shall invoice for only that portion of the lease cost that is allocated to the program funded by this Agreement. The Department is responsible for collecting any portion of the rent due to the Department under sublease agreements with partners or other entities.

A-11. DOCUMENTATION OF EXPENDITURES

A. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible.

B. Payroll expenditures shall be supported by activity reports that may include but not be limited to case reports, mileage logs, attendance rosters and other documents supporting work related to City contract or program.

C. The Department shall not release funds to any contractor for reimbursement of costs, until it has received adequate documentation from the contractor that the expenditures are reasonable and allowable under the sub-agreement. All documentation must remain on file with the Department.

A-12. CONFIDENTIALITY OF INFORMATION

A. The Grantor, CDD, and the Department will exchange various kinds of information pursuant to this Agreement. The information will include data, applications, program files and databases. This information is confidential when defining an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction.

B. CDD and the Department agree that:

1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance Code, §10850 of the Welfare and Institutions Code and other applicable local, State and federal laws.
3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
4. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information by shredding, burning, or certified, or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.
5. If the Department enters into an agreement with a third party to provide services, the Department agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and, each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.

A-13. SECURITY CLEARANCE AND TUBERCULOSIS TEST OF STAFF AND VOLUNTEERS

A. The Department understands and agrees that by signing this Agreement, the Department's staff and also contractor staff working with youth, either as employees or volunteers, who have a supervisory or disciplinary authority

over minors must be fingerprinted and pass the background check, as required by California Penal Code §11105.3 and California Education Code §45125.1 and §10911.5. Fingerprinting and a background check may be required of other staff and volunteers depending upon how much contact the staff member will have with minors. The Department and its contractor(s) shall be responsible for obtaining security clearances for staff whose duties require a sufficient level of interaction with youth.

B. The Department and its contractor(s) shall have Tuberculosis (TB) tests completed on any staff member working with the youth.

C. The Department shall maintain proof of Security Clearance and TB tests of all staff, including those of its contractor(s), and make these records available for future inspection.

A-14. MANAGEMENT INFORMATION SYSTEM RECORDS AND REPORTS

A. The Department shall report to CDD numeric data, statistics, facts, news, details and information for its CDBG-funded project(s) using forms and formats such as the electronic Integrated Services Information System (ISIS) prescribed by CDD for this purpose.

B. CDD shall rely upon and use records and monthly invoices located at CDD, and on-site verifications, as needed, to substantiate the Department's performance and expenditure data, including but not limited to enrollment, training services, placement activities, wages, business/job creation, and post-program services status.

C. CDD may contact Department staff, participants, contractors, subcontractors, training institutions or schools to verify the documentation supporting performance and compliance with this Agreement.

A-15. INSTALLATION OF FINANCIAL ASSISTANCE SIGN

The Department shall install, or allow to be installed, for public display upon the Project premises a sign, identifying the Project as receiving financial assistance from HUD.

A-16. EMPLOYMENT OPPORTUNITIES FOR LOW INCOME PERSONS AND SMALL BUSINESSES

Any project/program funded in part or in whole with Housing and Community Development funds shall comply with the following provisions (referred to as a Section 3 clause):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The Department agrees to send to each labor organization or representative of workers with which the Department has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Department's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference; it shall set forth minimum number of job titles subject to hire; the availability of apprenticeship and training positions; the qualifications for each; the name and location of the persons(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Department agrees to include this Section 3 clause in every contract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the contract or in this Section 3 clause, upon a finding that the contractor is in violation of the regulations in 24 CFR Part 135. The Department will not contract with any contractor where the Department has notice or knowledge that the contractor has been found in violation of the regulations in 24 CFR Part 135.

E. The Department will certify that any vacant employment positions, including training positions, that are filled (1) after the Department is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the Department's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preferences in the award of contracts and subcontracts shall be given to Indian Organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

A-17. FAITH-BASED ACTIVITIES

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the grant-funded program. However, a contractor that participates in a grant-funded program shall comply with the following provisions if it is deemed to be a religious or faith-based organization. The Department shall require its contractor(s) to comply with this Section 515.

A. A contractor may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this Agreement. If a contractor conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this Agreement, and participation must be voluntary for the beneficiaries of the grant-funded programs or services.

B. A religious or faith-based contractor will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct grant funds to support any inherently religious activities, such as worship, religious instruction, or proselytization.

C. A religious or faith-based contractor may use space in their facilities to provide grant funded services, without removing religious art, icons, scriptures, or other religious symbols.

D. A religious or faith-based contractor retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

E. A religious or faith-based contractor shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

F. Grant funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities.

G. Grant funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting HUD-eligible activities. Where a structure is used for both eligible and inherently religious activities, grant funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to grant funds herein. Sanctuaries, chapels, or other rooms that a grant-funded religious congregation uses as its principal place of worship, however, are ineligible for grant-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property dispositions.

A-18. PROGRAM INCOME

A. Program income is defined as income earned through the activities funded by this Agreement. Program income includes, but is not limited to, grants, fees that duplicate payments; average daily attendance (ADA) payments earned through program funded activities; and public or nonprofit agency revenues in excess of program eligible activities.

B. Interest earned on advances received pursuant to the terms of this Agreement is "program income." All interest earned must be reported as part of the Department's monthly expenditure report and must be returned to CDD quarterly and must identify the amount of interest earned on advanced funds.

C. Any program income must be reported to CDD on the expenditure report, and must be returned to CDD in accordance with the CDD's written direction to the Department. At CDD's discretion, program income may be used to augment the Department's program. Use of program income is permitted only by written amendment to this Agreement. Should this use of program income be approved, the Department shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with CDD's record retention and audit requirements. CDD shall monitor the Department's compliance with all program income requirements.

D. The Department's failure to comply fully with program income requirements, including any CDD directives, shall result in findings of disallowed costs. The Department also agrees to include this Program Income provision in its grant-funded contracts.

A-19. REVERSION OF ASSETS

A. The Department shall, within 45 days of the expiration of this Agreement, transfer to the CDD any and all grant funds on hand at the time of expiration, and any, an all accounts receivable attributable to the use of grant funds provided under this Agreement.

B. Any real property under the Department or contractor's control that was acquired or improved in whole or in part with grant funds provided under this Agreement in excess of \$25,000, shall either be:

1. Used to meet one (1) of the national objectives set forth in 24 CFR 570.208 until five (5) years after the expiration of this Agreement, or such longer period of time as determined appropriate by the City; or
2. Disposed of in a manner which results in CDD being reimbursed in the amount of the current fair market value of the property, less any portion thereof attributable to expenditures of non-grant funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with §514(B)(1) above.

A-20. CONTRACTS AND SUBCONTRACTS

A. For the purpose of this Agreement, contracts and subcontracts shall include, but not be limited to, purchase agreements, lease or rental agreements (excluding real property agreements), third party agreements, consultant services contracts, and construction contracts.

B. Contracts and subcontracts entered into in the performance of this Agreement shall:

1. Be subject to the terms and conditions set forth in this Agreement. The Department shall incorporate the applicable provisions of this Agreement in a written agreement with its contractor or subcontractor(s);
2. Specifically prohibit assignment or transfer of interest without prior written approval by CDD;
3. Contractor/subcontractor must specifically provide proof, when applicable, of the appropriate permits and/or business licenses.

A-21. CONDITIONS PRECEDENT TO THE EXECUTION OF THE AGREEMENT WITH THE DEPARTMENT'S CONTRACTOR(S)

A. Prior to the execution of a contract under this Agreement, the Department shall obtain the following documents from its contractor(s):

1. Budget Summary/Expenditure/Work Plan
 - a. Contractor(s) shall submit to the Department for approval in writing a proposed Summary/Expenditure/Work Plan ("the Plan").
 - b. The Budget Summary/Expenditure/Work Plan is a detailed listing of items for expenditure and scope of service (s) under the terms of this Agreement. The Plan shall be submitted with all backup documentation as required and/or a cost allocation plan, if necessary and appropriate. All requests to modify the Plan must be made in writing and must be approved in writing by the Department during the term of this Agreement. The Plan shall also describe all contractor services to be used by the Department and the payment procedures for subcontractors.

- B. Prior to the execution of a contract under this Agreement, the Department shall obtain the following documents from its contractor(s):
 1. A Code of Conduct to CDD for approval - The Code of Conduct submitted must meet the requirements of §403 Conflict of Interest of this Agreement.
 2. A Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, fully executed in accordance with Executive Orders 12459 and 12689, 24 CFR 85.35 and 24 CFR Part 24, and attached hereto as Exhibit A.
 3. A Certification Regarding Lobbying, fully executed in accordance with City Directive 91-3 dated July 27, 1990 and attached hereto as Exhibit B - Contractor shall comply with all provisions of 31 USC §1352 et seq. and 29 CFR Part 93.
 4. All other documents that are required by the City.

A-22. RESTRICTIONS ON DISBURSEMENTS

No money received pursuant to this Agreement by the Department shall be disbursed to any contractor except pursuant to a written agreement which incorporates the applicable provisions set forth herein and unless the contractor is in compliance with City and HUD requirements with regard to accounting and fiscal matters, to the extent that they are applicable.

A-23. PARTICIPATION OF SMALL, MINORITY, AND WOMEN'S BUSINESS

Consistent with Executive Order Nos. 11625, 12432, and 12138, the Department shall provide opportunities for small, minority, and women's businesses to participate in contracting and procurement activities generated under this Agreement. The Department shall:

- A. Invite small, minority, and women's businesses to participate in procurements under this Agreement.
- B. Divide total requirements into small requirements to permit maximum small, minority, and women's business participation whenever economically feasible.
- C. Use the services and assistance of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce, and the Community Services Administration (or its successor), as require

**EXHIBIT A (For Department use with its contractors)
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTIONS**

This certification is required by the regulations implementing Executive Orders 12459 and 12689, Debarment and Suspension, 24 CFR Part 24 Section 24.510, and 29 CFR Parts 97.35 and 98.510, Participants' responsibilities.

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

1. The prospective recipient of Federal assistance funds certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

AGREEMENT NUMBER: _____

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

Exhibit A (cont.)
INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Orders 12459 and 12689.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non-Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

EXHIBIT B (For Department use with its contractors)
CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans
and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less that \$10,000 and not more than \$100,000 for each such failure.

AGREEMENT NUMBER: _____

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT C
REAL PROPERTY LEGAL DESCRIPTION
(If Applicable)

**EXHIBIT D
CONTRACT AND SUBCONTRACT ACTIVITY (HUD-2516)**

(Fillable version and instructions are available via <http://www.hud.gov/offices/adm/hudclips/forms/files/2516.pdf>)

Contract and Subcontract Activity

U.S. Department of Housing and Urban Development

OMB Approval No.: 2535-0117 (exp. 1/31/2013)

Public Reporting Burden for this collection of information is estimated to average .50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB Control Number.

Executive Order 12421 dated July 14, 1983, directs the Minority Business Development Plans shall be developed by each Federal Agency and that these annual plans shall establish minority business development objectives. The information is used by HUD to monitor and evaluate MBE activities against the total program activity and the designated minority business enterprise (MBE) goals. The Department requires the information to provide guidance and oversight for programs for the development of minority business enterprise concerning Minority Business Development. If the information is not collected HUD would not be able to establish meaningful MBE goals nor evaluate MBE performance against these goals. While no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Privacy Act Notice - The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. It will not be disclosed or released outside the United States Department of Housing and Urban Development without your consent, except as required or permitted by law.

1. Grantee/Project Owner/Developer/Sponsor/Builder/Agency Check if: PHA <input type="checkbox"/> IHA <input type="checkbox"/>			2. Location (City, State, ZIP Code)						
3a. Name of Contact Person		3b. Phone Number (Including Area Code)		4. Reporting Period <input type="checkbox"/> Oct. 1 - Sept. 30 (Annual-FY)		5. Program Code (Not applicable for CPD programs.) See explanation of codes at bottom of page. Use a separate sheet for each program code.		6. Date Submitted to Field Office	

Grant/Project Number or HUD Case Number or other identification of property, subdivision, dwelling unit, etc. <small>7a.</small>	Amount of Contract or Subcontract <small>7b.</small>	Type of Trade Code (See below) <small>7c.</small>	Contractor or Subcontractor Business Racial/Ethnic Code (See below) <small>7d.</small>	Woman Owned Business (Yes or No) <small>7e.</small>	Prime Contractor Identification (ID) Number <small>7f.</small>	Sec. 3 <small>7g.</small>	Subcontractor Identification (ID) Number <small>7h.</small>	Sec. 3 <small>7i.</small>	Contractor/Subcontractor Name and Address <small>7j.</small>						
									Name	Street	City	State	Zip Code		

<p>CPD: 1 = New Construction 2 = Education/Training 3 = Other</p> <p>7c: Type of Trade Codes: Housing/Public Housing: 1 = New Construction 2 = Substantial Rehab. 3 = Repair 4 = Service 5 = Project Mangt.</p>	<p>7d: Racial/Ethnic Codes: 1 = White Americans 2 = Black Americans 3 = Native Americans 4 = Hispanic Americans 5 = Asian/Pacific Americans 6 = Hasidic Jews</p>	<p>5: Program Codes (Complete for Housing and Public and Indian Housing programs only): 1 = All insured, including Section 8 2 = Flexible Subsidy 3 = Section 8 Noninsured, Non-HFDA 4 = Insured (Management) 5 = Section 202 6 = HUD-Held (Management) 7 = Public/Indian Housing</p>
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EXHIBIT E
SEMI-ANNUAL LABOR STANDARDS ENFORCEMENT REPORT –
LOCAL CONTRACTING AGENCIES (HUD-4710)

(Fillable version and instructions are available via
http://portal.hud.gov/hudportal/HUD?src=/program_offices/labor_relations/olrform)

Semi-Annual Labor Standards Enforcement Report - Local Contracting Agencies (HUD Programs)	U.S. Department of Housing and Urban Development Office of Labor Relations	HUD FORM 4710 <small>OMB Approval Number 2501-0019 (Exp. 09/30/2013)</small>
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Agency Name:	Agency Type: <small>(e.g., CDBG, PHA, TDHE/IHA)</small>	State:	LR2000 Agency ID #: <small>(HUD Use Only)</small>
Period Covered: Check One and Enter Year(s)			
<input type="checkbox"/> Period 1: October 1, ____ to March 31, ____	<input type="checkbox"/> Period 2: April 1, ____ to September 30, ____		
Agency Contact Person:	Agency Contact Phone/E-mail:		

PART I - CONTRACTING ACTIVITY*
Pertains ONLY to projects awarded during the reporting period.

1. Number of prime contracts subject to the Davis-Bacon and Related Acts (DBRA) and/or the Contract Work Hours and Safety Standards Act (CWHSSA) awarded this period
Note: Do not include contracts included in previous semi-annual reports

2. Total dollar amount of prime contracts reported in item 1 above \$

3. List for each contract awarded this period:

Project Name/Number	Contract Amount	Wage Decision Number	Wage Decision Lock-In Date
EXAMPLE: "Boy's Club Renovation # CD54005-65"	"\$0,000,000.00"	"FL040001/Mod 3, 6/25/04, Building"	"07/02/04 bid open date" ◀ Lock

*Use additional pages if necessary

WHAT IS THE LOCK-IN DATE? For contracts entered into pursuant to competitive bidding procedures, the bid opening date "locks-in" the wage decision provided that the contract is awarded within 90 days. If the contract is awarded more than 90 days after bid opening, the contract award date "locks-in" the wage decision. For contracts, purchase orders or other agreements for which there is no bid opening or award date, use the construction start date as the lock-in date. However, for projects receiving assistance under Section 8 of the U.S. Housing Act of 1937 or contracts involving a *project* wage determination, the lock-in rules may vary from above. See Department of Labor Regulations, 29 CFR, Part 1, Section 1.6 and/or HUD Handbook 1344.1, or consult the HUD Labor Relations staff.

WHAT IT ISN'T: Do not use the wage decision publication date, unless that happens to correspond to one of the trigger events described above. If you are not sure about any of this, please feel free to contact the Labor Relations staff in your state or region.

Semi-Annual Labor Standards Enforcement Report - Local Contracting Agencies (HUD Programs)	U.S. Department of Housing and Urban Development Office of Labor Relations	HUD FORM 4710 <small>OMB Approval Number 2501-0019 (Exp. 09/30/2013)</small>
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Agency Name:	Agency Type: <small>[e.g., CDBG, PHA, TDHE/IHA]</small>	State:	LR2000 Agency ID #: <small>(HUD Use Only)</small>
Period Covered: Check One and Enter Year(s)			
<input type="checkbox"/> Period 1: October 1, ____ to March 31, ____		<input type="checkbox"/> Period 2: April 1, ____ to September 30, ____	
Agency Contact Person:		Agency Contact Phone/E-mail:	

PART II - ENFORCEMENT ACTIVITY*
Pertains to all projects, not just contract(s) awarded during the reporting period.

4. Number of employers against whom **complaints** were received (list employers and projects involved below):

Employer	Project(s)
-----------------	-------------------

5. (a) Number of cases (employers) referred to HUD Labor Relations for investigation or §5.11 hearing (list referrals below):

(b) Number of cases (employers) referred to the Department of Labor (DOL) for investigation or §5.11 hearing (list referrals below):

Employer	Project	HUD or DOL	Invest. Or Hearing
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6. (a) **Number of workers for whom wage restitution was collected/dispensed:**
Report only once; if you previously reported workers for whom restitution was collected, do not report the same workers when funds are disbursed. Include workers to whom restitution was paid directly by the employer.

(b) **Total amount of straight time wage restitution collected/dispensed during this period:**
Report only once; if you report funds collected, do not report the disbursement. Include restitution amounts paid directly by the employer as reported on correction certified payrolls.

(c) **Total amount of CWHHSA overtime wage restitution collected/dispensed during this period:**
Report only once; if you report funds collected, do not report the disbursement. Include restitution amounts paid directly by the employer as reported on correction certified payrolls.

(d) **Total amount of liquidated damages collected:**

* Use additional pages if necessary

EXHIBIT F
SECTION 3 SUMMARY REPORT (HUD-60002)
(Fillable version and instructions are available via
http://www.hud.gov/offices/adm/hudclips/forms/files/60002.pdf)

Section 3 Summary Report
Economic Opportunities for
Low - and Very Low-Income Persons

U.S. Department of Housing
and Urban Development
Office of Fair Housing
And Equal Opportunity

OMB Approval No: 2529-0043
(exp. 11/30/2010)

HUD Field Office: []

Section back of page for Public Reporting Burden statement

Form fields for: 1. Recipient Name & Address, 2. Federal Identification, 3. Total Amount of Award, 4. Contact Person, 5. Phone, 6. Length of Grant, 7. Reporting Period, 8. Date Report Submitted, 9. Program Code, 10. Program Name

Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires in E &F)

Table with 6 columns: Job Category, Number of New Hires, Number of New Hires that are Sec. 3 Residents, % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents, % of Total Staff Hours for Section 3 Employees and Trainees, Number of Section 3 Trainees. Rows include Professionals, Technicians, Office/Clerical, Construction by Trade (List), Trade, Other (List), and Total.

* Program Codes
1 = Flexible Subsidy
2 = Section 202/811
3 = Public/Indian Housing
A = Development, B = Operation, C = Modernization
4 = Homeless Assistance
5 = HOME
6 = HOME State Administered
7 = CDBG Entitlement
8 = CDBG State Administered
9 = Other CD Programs
10 = Other Housing Programs

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$	
B. Total dollar amount of contracts awarded to Section 3 businesses	\$	
C. Percentage of the total dollar amount that was awarded to Section 3 businesses		%
D. Total number of Section 3 businesses receiving contracts		

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$	
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$	
C. Percentage of the total dollar amount that was awarded to Section 3 businesses		%
D. Total number of Section 3 businesses receiving non-construction contracts		

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.