

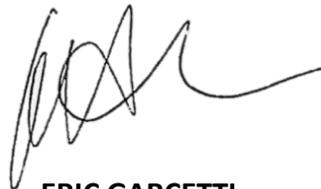
## TRANSMITTAL

To: **THE COUNCIL**

Date: **02/14/22**

From: **THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**

A handwritten signature in black ink, appearing to be 'Eric Garcetti', written in a cursive style.

(Andre Herndon) for

**ERIC GARCETTI**  
Mayor

Ann Sewill, General Manager  
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager  
Anna E. Ortega, Assistant General Manager  
Luz C. Santiago, Assistant General Manager

City of Los Angeles



LOS ANGELES HOUSING DEPARTMENT

1200 West 7th Street, 9th Floor  
Los Angeles, CA 90017  
Tel: 213.808.8808

housing.lacity.org

Eric Garcetti, Mayor

January 31, 2022

Council File: 19-0685  
Council Districts: Citywide  
Contact Persons: Sara Wall: (213) 808-8848  
Daniel Huynh: (213) 808-8808

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall  
200 N. Spring Street  
Los Angeles, CA 90012

Attention: Heleen Ramirez, Legislative Coordinator

**COUNCIL TRANSMITTAL: REQUEST FOR AUTHORITY FOR VARIOUS ACTIONS RELATED TO THE IMPLEMENTATION OF SENATE BILL 2 (SB-2) - PERMANENT LOCAL HOUSING ALLOCATION (PLHA)**

**SUMMARY**

The General Manager of the Los Angeles Housing Department (LAHD) respectfully requests that your office review and approve this transmittal and forward it to the City Council for further consideration. Through this transmittal, LAHD seeks approval and requests authority to implement program activities related to the Permanent Local Housing Allocation (PLHA) program five-year plan. PLHA funds are allocated to entitlement jurisdictions using the formula prescribed under federal law for the Community Development Block Grant (CDBG) program on an annual basis. Eligible uses are centered around affordable housing production, preservation, and long-term housing stability efforts. This report outlines updates to approved PLHA program activities and requests authority to make technical corrections to the approved grant budget, execute required documents and implement programs as described for Year I and II.

Based on the funding formula, the allocation to the City of Los Angeles for Year I of the five-year cycle was \$26,219,573. In order to receive the funding, the City of Los Angeles submitted an application and a five-year expenditure plan to the California Department of Housing and Community Development (HCD) on July 27, 2020, and the Standard Agreement was executed on November 30, 2020 which was later approved. On November 18, 2021, LAHD was notified of its Year II allocation in the amount of \$40,753,337, and is therefore requesting authority to execute the Year II Standard Agreement and allocate funding according to the five-year plan.

An Equal Opportunity Employer

For Year I and Year II of the five-year cycle, the total funding amounts to \$66,972,910. Over the five-year period, the City of Los Angeles has the potential to receive an estimated \$157,317,438 in PLHA funds.

**RECOMMENDATIONS**

- I. That the Mayor review this transmittal and forward to the City Council for further action;
- II. That the City Council, subject to the approval of the Mayor:
  - A. AUTHORIZE the General Manager of LAHD, or designee, to ADOPT the FY 21-22, Year I Budget as described in Table I with corrections; and ADOPT the Year II Budget for FY 22-23 as described in Table II; both Budgets in accordance with the approved five-year plan for the Permanent Local Housing Allocation (PLHA); per the California Department of Housing and Community Development (HCD) requirements;
  - B. AUTHORIZE the General Manager of LAHD, or designee, to lead the coordination, partnership and execution of the required Year II Standard Agreement, annual progress reports (APRs) or any related documents in accordance with the PLHA grant requirements;
  - C. AUTHORIZE the General Manager of LAHD, or designee, to amend a City Contract (Contract no. C-139113) with Satwic, Inc. to increase the contract funds by \$539,796 for a new total of up to \$3,363,605; to build the technological infrastructure of LAHD, in coordination with a to-be-determined vendor for the new affordable housing information system; and to extend the contract term to June 30, 2023, in substantial conformance with the draft Amendment attached to this report, and subject to the availability of funding, and approval of the City Attorney as to form and legality;
  - D. AUTHORIZE the General Manager of LAHD, or designee, to amend a City Contract (Contract no. C-1386120) with 3Di, Inc. to increase the contract funds by \$83,400 for a new total of up to \$3,286,369; to maintain the UNOFA (Universal Notice of Funding Availability) system; and extend the contract term to June 30, 2023, in substantial conformance with the draft Amendment attached to this report, subject to the availability of funding, and approval of the City Attorney as to form and legality;
  - E. AUTHORIZE the General Manager of LAHD, or designee, to amend a City Contract, (Contract no. C-136109) with CASK NX, LLC to increase the contract funds by \$500,000 for a new total of up to \$1,855,000; to develop, implement, and maintain a Prevailing Wage Compliance Package; build a HHH Project Status Tracker; automate LAHD's Housing Development Bureau business processes; and to extend the contract term to June 30, 2023, in substantial conformance with the draft Amendment attached to this report, and subject to the availability of funding, and the approval of the City Attorney as to form and legality;
  - F. AUTHORIZE the General Manager of LAHD, or designee, to prepare Controller instructions and any necessary technical adjustments consistent with Mayor and City Council actions, subject to the approval of the City Administrative Officer (CAO), and instruct the Controller to implement the instructions;

G. AUTHORIZE the City Controller to:

1. Establish a new interest-bearing fund entitled “SB 2 Permanent Local Housing Allocation” for the receipt and disbursement of the annual, permanent allocation from the State of California Department of Housing and Community Development (HCD), to be administered by LAHD;
2. Establish new accounts and appropriate funds as follows:

Account No.	Account Title	Amount
43V244	Administration for PLHA Year II Budget	\$193,736.00
43V723	Rental – New Construction	\$10,877,738.00
43V724	Rental – Preservation	\$5,768,306.00
43V726	Homeownership MIPA	\$5,088,535.00
43V919	Eviction Prevention Rental Assistance	\$1,247,002.00
43V920	ADU Accelerator Program	\$720,432.00
43V900	Contract Programming	\$378,698.00
43V143	LAHD	\$1,249,696.00
43V299	Reimbursement of GF	\$695,430.00
	Total:	\$26,219,573.00

3. Increase appropriation in the amount of \$1,249,696.00 in the following accounts within Fund 100/43:

Account No.	Account Title	Amount
001010	Salaries, General	\$1,049,438.00
001070	Salaries, As Needed	\$12,022.00
002120	Printing & Binding	\$7,000.00
003040	Contractual Services	\$20,000.00
006010	Office & Administrative	\$59,400.00
006030	Leasing	\$101,836.00
	Total:	\$1,249,696.00

**BACKGROUND**

In 2017, Governor Brown signed the Building Homes and Jobs Act, also known as Senate Bill 2 (SB-2). SB-2 added a new \$75 fee for all real estate transactions for each recorded instrument with a cap of \$225. Fees are estimated to produce \$250 million annually to increase the supply of affordable homes in California. Revenue generated from the fee is then distributed to local jurisdictions by the California Department of Housing and Community Development (HCD) through a new permanent source, the Permanent Local Housing Allocation (PLHA). Entitlement jurisdictions are required to submit a five-year plan, accompanying the inaugural year’s

application in 2020 for the 2019-2024 funding cycle. Jurisdiction’s annual allocation will be determined by the amount of fees generated at the state level.

On July 1, 2020, the Mayor and City Council adopted LAHD’s five-year PLHA plan and Resolution (C. F. No. 19-0685). Subsequently, on February 4, 2021, HCD informed LAHD of its award amount of \$26,219,573 for its first-year allocation. Next, as an existing awardee, LAHD submitted its subsequent PLHA Year II application on July 14, 2021, which included the expenditure plan outlining the same percentage of total funds allocated for each eligible activity, as reflected in the five-year plan. HCD informed LAHD that the PLHA Year II award amount is \$40,753,337. The Year II PLHA award will be allocated as described in Table II, consistent with the approved five-year plan. LAHD will return to Council with a separate transmittal and provide an update on Year I and II, in addition request authorization to accept the Year III award, upon execution of the Standard Agreement in spring 2023.

The funding percentages for each program activity for Year I to allocate the \$26,219,573 will be consistent with the five-year plan as outlined in LAHD’s June 3, 2020 transmittal (C. F. No. 19-0685) that was approved by the City Council as follows in Table I, below. Per the request of HCD, category percentages were rounded up to whole numbers, producing the final percentages for each program activity outlined in Table I.

TABLE I: YEAR I PLHA ALLOCATION, BUDGET FOR FY 21-22

TABLE I: BUDGET FOR FY 21-22, SB-2 PLHA PROGRAM ALLOCATIONS CONSISTENT WITH FIVE-YEAR PLAN							
Eligible Use Category	Admin.	Rental- New Construction	Rental- Preservation	Homeownership Moderate Income	Eviction Defense	ADU Accelerator	Total
<b>Request</b>	\$1,310,979	\$11,637,834	\$5,742,086	\$5,217,695	\$1,310,979	\$1,000,000	\$26,219,573
<b>Percent</b>	5 %	44%	22%	20%	5%	4%	100%

TABLE II: YEAR II PLHA ALLOCATION, BUDGET FOR FY 22-23

TABLE II: YEAR II BUDGET FOR FY 22-23 SB-2 PLHA PROGRAM ALLOCATION CONSISTENT WITH FIVE-YEAR							
Eligible Use Category	Admin.	Rental- New Construction	Rental- Preservation	Homeownership Moderate Income	Eviction Defense	ADU Accelerator	Total
<b>Request</b>	\$2,037,666.85	\$17,931,468.258	\$8,965,734.14	\$8,150,667.40	\$2,037,666.85	\$1,630,133.48	\$40,753,337
<b>Percent</b>	5 %	44%	22%	20%	5%	4%	100%

Eligible Activities and Administrative Support

Eligible activities are limited to those outlined in the HCD approved five-year plan and Resolution. Eligible uses include the acquisition, development, new construction and preservation of affordable rental housing including Accessory Dwelling Units, homeownership for low-and-moderate income buyers, rental workforce housing, capitalized reserves for onsite social services, rapid rehousing, rental assistance, case management, operating and capital costs, and navigation centers/emergency shelters. Use of PLHA funding for administrative purposes is capped at 5% of each annual allocation. For Year I, 5% of the total allocation equates to \$1,310,979, and for Year II, \$2,037,666 will be applied to administrative uses. A portion of administrative funds will be used to increase the contract amount and duration of two existing LAHD Systems contractors in order to support LAHD's Housing Development Bureau's ongoing operations.

PLHA funding is limited to eligible activities outlined in the published Notice of Funding Available. Funds cannot be reallocated between programs by more than 10% from what was approved in the five-year plan without City Council approval and new Resolution. Approved uses include the acquisition, development, new construction and preservation of affordable rental housing including Accessory Dwelling Units, homeownership for low-and-moderate income buyers, rental workforce housing, capitalized reserves for onsite social services, rapid rehousing, rental assistance, case management, operating and capital costs, and navigation centers/ emergency shelters. All programs are subject to HCD approval. With the exception of rental workforce housing and moderate-income homeownership, the target affordability of all PLHA programs is to service those with incomes at or below 60% of Area Median Income.

As such, LAHD is requesting authority to extend Satwic Inc.'s, contract term to June 30, 2023 and increase the amount by \$539,796 under Contract No. C-139113, for a new total of up to \$3,363,605. Satwic's scope of work will focus on creating new systems, processes and tools that are critical to the implementation of PLHA funding. Satwic will assign contractors to create solutions that improve data analytics, reporting capacity and overall program management, in coordination with a to-be-determined vendor for the new affordable housing information system.

The second contractor that will receive PLHA funds to develop technology infrastructure for the Housing Development Bureau is 3Di, Inc. (Contract No. C-138612). 3Di will continue to update and maintain the Universal Notice of Funding Availability (UNOFA) system, an online application platform that allows developers to apply for County and City financing in one portal. LAHD is requesting authority to increase the contract amount by \$83,400 for a total of up to \$3,286,369, and to extend the contract term to June 30, 2023.

CASK NX, LLC (City Contract No. C-136109), is the third existing contractor LAHD is requesting the authority to deploy using PLHA Administrative funding and increase the contract funds by \$500,000 for a new total of up to \$1,855,000 and to extend the contract term to June 30, 2023. CASK NX will develop, implement, and maintain a new Prevailing Wage Compliance Package that will be accessible by developers and will improve the efficiency of managing the required documentation of Prevailing Wage compliance. With a focus on automating other Housing Development Bureau processes, CASK NX will also create an HHH Project Status Tracker to provide updates to stakeholders.

**PLHA Five-Year Plan-Approved Programs**

The City Council and Mayor approved the LAHD's proposed use of PLHA funds for the five-year cycle on July 1, 2020. Thereafter, HCD approved LAHD's submitted application and the programs described in this report. LAHD's recommendation is to allocate funds to strengthen four existing programs that preserve and increase the City's affordable housing stock, as reflected in the 2021-2029 Housing Element, while also supporting the testing of an innovative pilot program. The PLHA allocation plan is loosely based on the Tier II guidelines for the City's Affordable Housing Linkage Fee, which were approved by over 100 stakeholders and the City Council in October 2019 (C.F. No. 17-0274).

The following section provides a summary of each of the five programs that will receive an annual PLHA allocation during the five-year plan as reflected in our HCD approved application. More detailed information can be found in the cited Council File in each section.

***New Construction Rental Housing- Affordable Housing Managed Pipeline***

The five-year PLHA plan prioritizes the construction of new affordable rental housing for those who are at-risk of or currently experiencing homelessness, with 44% of the total annual allocation going towards the new construction of supportive housing and housing for extremely low and low-income tenants. The City's Affordable Housing Managed Pipeline (AHMP) program provides financing for the new construction of affordable rental housing for low and extremely low-income households (see C.F. No. 21-0305). After updating the AHMP program regulations in April 2021, LAHD issued the Notice of Funding Availability (NOFA) during that same month. In May 2021, a bidder's conference was held to answer stakeholder questions. A total of 29 applications were received. Three projects were immediately recommended for an award in July 2021. The remaining 26 applications were reviewed and funding recommendations for 14 additional projects were submitted for City Council approval in November 2021 (C. F. No. 21-0305).

For Year I, the AHMP allocation amount totals \$11,536,612 and the Year II allocation is \$17,931,468, for a combined total of \$29,468,080, which will finance approximately 250 units. The average subsidy per unit is \$80,000. Year I will finance approximately 98 units and Year II will support the financing of 152 units. Properties will remain affordable for a minimum of 55 years, per PLHA guidelines.

***Preservation of Affordable Rental Housing***

The goal of LAHD's Preservation Program is to extend the affordability and livability of existing affordable housing projects at risk of being converted to market rate. Approximately 22% of PLHA's five-year plan is allocated for the Preservation Program, totaling \$5,768,306 for Year I and \$8,965,734 for Year II. PLHA funding will support the preservation of approximately 53 affordable housing units in Year 1 and 83 affordable housing units in Year II. The per-unit subsidy is approximately \$108,338. Per PLHA requirements, projects will have a 55-year term affordability covenant.

LAHD is currently assessing the cost and benefits of several different preservation funding strategies and will return to the Council with proposed guidelines and term sheets in Spring 2022. This upcoming report will include analyses of several different preservation funding strategies and will guide future lending. These potential

approaches span a range from least to most costly and from the shortest and shallowest affordability extensions to the longest and deepest. Year I and II PLHA funding will support the preservation of a total of 136 units.

***Homeownership - Moderate-Income Purchase Assistance Program***

The City's Moderate-Income Purchase Assistance (MIPA) Program provides purchase assistance, deferred-payment "soft second" loans to moderate-income, first-time homebuyers earning between 81- 150% of AMI. For more information on the MIPA program, please see the program guidelines in a previous staff report (C. F. No. 12-0647-S10). In the five-year PLHA plan, MIPA will receive 20% of PLHA funds. PLHA funds may also be used for low-income households earning up to 80% of AMI allowing LAHD to use PLHA funds to assist home buyers in the Low Income Purchase Assistance (LIPA) Program, as needed.

For Year I, MIPA allocation totals \$5,243,915 and \$8,150,667 for Year II, respectively. LAHD estimates these funds from these two program years will assist 74 moderate-income households purchase homes in the City of Los Angeles. For the first time since its inception the MIPA Program will operate continuously year-round, every year. To meet the increased number of loans processed and number of households inspected for habitability, PLHA funding will be used for two full-time staff positions: one Finance Development Officer I (FDO I) and one Rehabilitation Construction Specialist I (RCS I). Both positions were requested as part of the FY 22-23 Budget process, but final approval is pending.

***Los Angeles Accessory Dwelling Unit Accelerator Program***

The Los Angeles Accessory Dwelling Unit Accelerator Program (LAADUAP) is a pilot program that provides rental assistance, and supportive services for extremely low-income seniors, at or below 30% of AMI using ADUs. LAADUAP program will receive 4% of PLHA funds in an annual allocation, totaling \$1,048,783 for Year I and \$1,630,133 for Year II, respectively. Recommendations for City Council and Mayor approval of detailed program guidelines, budget and staffing will be submitted in a separate transmittal.

***Eviction Defense Program - Rental Assistance***

The City of Los Angeles has developed a comprehensive COVID-Response Eviction Defense Program (EDP) that includes outreach and education, pre-eviction legal services, unlawful detainer defense, rental assistance, ongoing case management, financial coaching, and other housing assistance resources (C.F. No. 18-0610). To supplement the growing need to assist renters in the City and prevent tenant displacement, LAHD allocated 5% of PLHA funds to augment the existing rental assistance component of the EDP. As outlined in the PLHA five-year plan, the intent is to increase the City's capacity to assist at least 125 low-income households who are at risk of homelessness and possible eviction due to a high rent burden and other economic factors.

Through the City's existing contract with the Legal Aid Foundation of Los Angeles (LAFLA) (Contract No. C-138260), clients will be screened and deemed eligible to receive rental assistance for six months as well as case management services. Eligible households must be City residents at or below 30% AMI level. A request for authorization of the LAFLA contract amendment will be submitted under a separate LAHD report. The rental assistance allocation from the PLHA is \$1,310,979 for Year I and will be \$2,037,667 for Year II, for an estimated total of over \$7 million during the five-year plan period.

Administrative Needs for PLHA

In order to receive ongoing PLHA funding, the City must perform annual program management functions such as program development, monitoring use of funds, required reporting and contract management. LAHD will need a dedicated staff person to organize, evaluate and manage the five year PLHA program and the City's objectives related to securing housing for households with the highest need.

As indicated in LAHD's FY23 department Budget request, one (1) new Housing, Planning & Economic Analyst (HPEA) is needed to effectively execute the management of the City's PLHA program. New state housing laws require that the City proactively demonstrate its success in meeting long-term program objectives that are funded by PLHA and coincide with the City's 2021-2029 Housing Element, and report these outcomes to the state. This additional staff capacity will allow the department to plan and monitor citywide affordable housing production goals as well as the 132 housing programs in the Council-approved Housing Element, assist tenants facing housing insecurity, and support the evaluation of the City's Eviction Defense Program.

**FISCAL IMPACT**

There is no impact to the City's General Fund through the actions recommended in this report.

Approved By:



ANN SEWILL  
General Manager  
Los Angeles Housing Department

ATTACHMENTS:

- Cask NX C-136109-3 PROFORMA
- 3Di C-138612-1 PROFORMA
- Satwic C-139113-1 PROFORMA

THIRD AMENDMENT  
TO AGREEMENT NUMBER C-136109 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
CASK NX, LLC.

THIS THIRD AMENDMENT to Agreement Number C-136109 (“Agreement”) of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the City, and Cask NX, LLC., a Delaware limited liability company, hereinafter referred to as the Contractor.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide COVID-19 ServiceNow Platform Development & Support services, said Agreement effective June 1, 2020, and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, on December 14, 2020, the City and the Contractor entered into the First Amendment to (a) add additional funds in the amount of Eighty Thousand Dollars (\$80,000) for a new maximum payment obligation of Three Hundred Fifty-Five Thousand Dollars (\$355,000); and (b) add additional standard City contract provisions; and

WHEREAS, on March 11, 2021, the City and the Contractor entered into the Second Amendment to (a) add additional funds in the amount of One Million Dollars (\$1,000,000); and (b) adding an additional twelve (12) months for a new Agreement ending date of June 30, 2022; and

WHEREAS, Section 405 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as authorized by the City Council and the Mayor (Council File Number 19-0685, adopted by City Council on XXXX XX, 2022, and concurred by the Mayor on XXXX XX, 2022), which authorizes the General Manager of the City’s Los Angeles Housing Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding additional funds in the amount of **Five Hundred Thirty-Nine Thousand Dollars (\$500,000)** for a new total of **One Million Eight Hundred Fifty-Five Thousand Dollars (\$1,855,000)**; (b) adding an additional twelve (12) months for a new Agreement ending date of June 30, 2023; (c) updating standard City contract provisions; and (d) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

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

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended as follows:

### THIRD AMENDMENT

- §1. Amend the Agreement by deleting all references to “Housing and Community Investment Department” and replacing it with “Los Angeles Housing Department.”
- §2. Amend the Agreement by deleting all references to “HCID” and replacing it with “LAHD.”
- §3. Amend Section 201, “Time of Performance”, by deleting the current ending date of June 30, 2022, and replacing it with a new ending date of June 30, 2023.

This amendment adds an additional twelve (12) months for a total term of thirty-seven (37) months.

- §4. Amend Section 301.A, “Compensation and Method of Payment” by deleting the contract total of One Million Three Hundred Fifty-Five Thousand Dollars (\$1,355,000) and replacing it with the new total of **One Million Eight Hundred Fifty-Five Thousand Dollars (\$1,855,000)**.

This amendment adds **Five Hundred Thirty-Nine Thousand Dollars (\$500,000)**.

- §5. Amend to add Section 454, “COVID-19” by adding the following:

“§454 COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, “Contractor Personnel”), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, “In-Person Services”) must be fully vaccinated against the novel coronavirus 2019 (“COVID-19”). “Fully vaccinated” means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions (“Exemptions”) to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that

they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.”

- §6. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §7. This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes four (4) pages, which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the LACityClerk Connect website.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

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

APPROVED AS TO FORM:  
MICHAEL N. FEUER, City Attorney

Executed this \_\_\_ day of \_\_\_\_\_ 2022

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

For: THE CITY OF LOS ANGELES

ANN SEWILL  
General Manager  
Los Angeles Housing Department  
(formerly known as Housing and  
Community Investment Department)

Date \_\_\_\_\_

ATTEST:  
  
HOLLY L. WOLCOTT, City Clerk

By \_\_\_\_\_  
Luz C. Santiago  
Assistant General Manager

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

Date \_\_\_\_\_

Executed this \_\_\_ day of \_\_\_\_\_ 2022

(Contractor's Corporate Seal)

For: CASK NX, LLC

By \_\_\_\_\_  
Mark Larsen  
President

City Business License Number: 0003194968-0001-6  
Internal Revenue Service ID Number: 83-2942740  
Council File/CAO File Number: 19-0685 Date of Approval: X/X/22  
Said Agreement is Number C-136109 of City Contracts, Amendment 3

FIRST AMENDMENT  
TO AGREEMENT NUMBER C- 138612 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
3DI, INC.

INFORMATION TECHNOLOGY

THIS FIRST AMENDMENT to Agreement Number C-138612 (“Agreement”) of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the “City”, and 3Di, Inc., a California corporation, hereinafter referred to as the “Contractor”.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide Information Technology services, said Agreement effective July 1, 2021 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section 405 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as authorized by the City Council and the Mayor (Council File Number 19-0685, adopted by City Council on XXXX XX, 2022, and concurred by the Mayor on XXXX XX, 2022), which authorizes the General Manager of the City’s Los Angeles Housing Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding additional funds in the amount of **Eighty-Three Thousand Four Hundred Dollars (\$83,400)** for a new total of **Three Million Two Hundred Eight-Six Thousand Three Hundred Sixty-Nine Dollars (\$3,286,369)**; (b) adding an additional twelve (12) months for a new Agreement ending date of June 30, 2023; (c) updating standard City contract provisions; and (d) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

WHEREAS, pursuant to City Ordinance Number 187122, effective August 8, 2021, the Housing and Community Investment Department was re-named the Los Angeles Housing Department (“LAHD”); and

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

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended as follows:

FIRST AMENDMENT

- §1. Amend the Agreement by deleting all references to “Housing and Community Investment Department” and replacing it with “Los Angeles Housing Department.”
- §2. Amend the Agreement by deleting all references to “HCID” and replacing it with “LAHD.”
- §3. Amend Section 201, “Time of Performance”, by deleting the current ending date of June 30, 2022, and replacing it with a new ending date of June 30, 2023.

This amendment adds an additional twelve (12) months for a total term of twenty-four (24) months.

- §4. Amend Section 301.A, “Compensation and Method of Payment” by deleting the contract total of Three Million Two Hundred Two Thousand Nine Hundred Sixty-Nine Dollars (\$3,202,969) and replacing it with the new total of **Three Million Two Hundred Eighty-Six Thousand Three Hundred Sixty-Nine Dollars (\$3,286,369)**.

This amendment adds **Eighty-Three Thousand Four Hundred Dollars (\$83,400)**.

- §5. Amend to add Section 451, “COVID-19” by adding the following:

“§451 COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, “Contractor Personnel”), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, “In-Person Services”) must be fully vaccinated against the novel coronavirus 2019 (“COVID-19”). “Fully vaccinated” means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions (“Exemptions”) to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been

diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.”

- §6. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §7. This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes four (4) pages, which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the LACityClerk Connect website.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

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

APPROVED AS TO FORM:

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2022

MICHAEL N. FEUER, City Attorney

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

For: THE CITY OF LOS ANGELES

ANN SEWILL  
General Manager  
Los Angeles Housing Department  
(formerly known as Housing and Community  
Investment Department)

Date \_\_\_\_\_

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By \_\_\_\_\_  
Luz C. Santiago  
Assistant General Manager

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

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2022

Date \_\_\_\_\_

For: 3DI, INC.

By: \_\_\_\_\_  
Mihir Desai  
Vice President & CFO

(Contractor's Corporate Seal)

City Business License Number: 0000495437-0002-8

Internal Revenue Service Number: 33-0647719

Council File/CAO File Number: 19-0685 Date of Approval: X/XX/22

Said Agreement is Number C-138612 of City Contracts, Amendment 1

FIRST AMENDMENT  
TO AGREEMENT NUMBER C- 139113 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
SATWIC, INC.

INFORMATION TECHNOLOGY

THIS FIRST AMENDMENT to Agreement Number C-139113 (“Agreement”) of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles, hereinafter referred to as the “City”, and Satwic, Inc., a California corporation, hereinafter referred to as the “Contractor”.

WITNESSETH

WHEREAS, the City and the Contractor have entered into an Agreement wherein Contractor shall provide Information Technology services, said Agreement effective July 1, 2021 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, Section 405 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as authorized by the City Council and the Mayor (Council File Number 19-0685, adopted by City Council on **XXXX XX**, 2022, and concurred by the Mayor on **XXXX XX**, 2022), which authorizes the General Manager of the City’s Los Angeles Housing Department to prepare and execute an amendment to the Agreement for the purpose of: (a) adding additional funds in the amount of **Five Hundred Thirty-Nine Thousand Seven Hundred Ninety-Six Dollars (\$539,796)** for a new total of **Three Million Three Hundred Sixty-Three Thousand Six Hundred Five Dollars (\$3,363,605)**; (b) adding an additional twelve (12) months for a new Agreement ending date of June 30, 2023; (c) updating standard City contract provisions; and (d) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

WHEREAS, pursuant to City Ordinance Number 187122, effective August 8, 2021, the Housing and Community Investment Department was re-named the Los Angeles Housing Department (“LAHD”); and

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

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended as follows:

FIRST AMENDMENT

- §1. Amend the Agreement by deleting all references to “Housing and Community Investment Department” and replacing it with “Los Angeles Housing Department.”
- §2. Amend the Agreement by deleting all references to “HCID” and replacing it with “LAHD.”
- §3. Amend Section 201, “Time of Performance”, by deleting the current ending date of June 30, 2022, and replacing it with a new ending date of June 30, 2023.

This amendment adds an additional twelve (12) months for a total term of twenty-four (24) months.

- §4. Amend Section 301.A, “Compensation and Method of Payment” by deleting the contract total of Two Million Eight Hundred Twenty-Three Thousand Eight Hundred Nine Dollars (\$2,823,809) and replacing it with the new total of **Three Million Three Hundred Sixty-Three Thousand Six Hundred Five Dollars (\$3,363,605)**.

This amendment adds **Five Hundred Thirty-Nine Thousand Seven Hundred Ninety-Six Dollars (\$539,796)**.

- §5. Amend to add Section 453, “COVID-19” by adding the following:

“§453 COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, “Contractor Personnel”), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, “In-Person Services”) must be fully vaccinated against the novel coronavirus 2019 (“COVID-19”). “Fully vaccinated” means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions (“Exemptions”) to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor

Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.”

- §6. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §7. This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes four (4) pages, which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the LACityClerk Connect website.

[Remainder of page intentionally left blank.]

[Signatures begin on next page.]

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

APPROVED AS TO FORM:

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2022

MICHAEL N. FEUER, City Attorney

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

For: THE CITY OF LOS ANGELES

ANN SEWILL  
General Manager  
Los Angeles Housing Department  
(formerly known as Housing and Community  
Investment Department)

Date \_\_\_\_\_

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By \_\_\_\_\_  
Luz C. Santiago  
Assistant General Manager

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

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2022

Date \_\_\_\_\_

For: SATWIC, INC.

By: \_\_\_\_\_  
Subbaiah Cherumandanda  
President

By: \_\_\_\_\_  
Natesh Kodancha  
Chief Executive Officer

CFDA Number: HOME 14.239

D-U-N-S ® Number: 038141576

City Business License Number: 0002921445-0001-7

Internal Revenue Service Number: 95-4802883

Council File/CAO File Number: 19-0685 Date of Approval: X/XX/22

Said Agreement is Number C-139113 of City Contracts, Amendment 1