

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: March 2, 2007

To: The Council

From: Gerry F. Miller, Chief Legislative Analyst *by J. O'Connell*
Karen Sisson, Interim City Administrative Officer *KSS*

Subject: **PROGRAM YEAR 2007-08 CONSOLIDATED PLAN (33RD PROGRAM YEAR)
FOR U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
GRANTS**

SUMMARY

The Mayor's proposed 33rd Program Year (PY) Consolidated Plan (Con Plan) for 2007-08 was published on January 9, 2007. At the January 23, 2006 meeting of the Housing, Community and Economic Development (HCED) Committee, the City Administrative Officer and Chief Legislative Analyst were requested to coordinate responses to various questions raised with regard to the proposed Consolidated Plan to allocate \$185,903,653 in U.S. Department of Housing and Urban Development (HUD) funds (C.F. 06-2366). Responses to these questions, analysis and recommendations are in the Findings section of this report.

The Consolidated Plan covers four federal grants for a twelve-month program year beginning April 1, 2007 through March 31, 2008. These grants include the Community Development Block Grant (CDBG), HOME Investment Partnership/American Dream Downpayment Initiative, Emergency Shelter Grant and Housing Opportunities for Persons With AIDS programs. This Consolidated Plan represents the fifth year of a Five-Year Action Plan for the period 2003-2008.

The Consolidated Plan process requires community participation. Six community meetings were held in July 2006 to assist the Mayor in establishing funding priorities prior to the drafting of a plan. A 30-day public comment period for the proposed Consolidated Plan was in effect through February 15, 2007. Thus, the earliest that the City could have adopted the 33rd PY Con Plan was February 16, 2007. CDD and the Citizens' Unit for Participation conducted six community meetings in January 2007 to solicit community comments on the Mayor's proposals. All written comments and concerns and their proposed disposition will be incorporated into the final Con Plan document submitted to HUD.

Some of the significant challenges addressed in this report include:

- Funding recommendations for programs in the Community Based Development Organizations (CBDO) category of CDBG funding for which eligibility for CBDO certification is uncertain;
- Restoration of funding for a full year to the Human Services Delivery System and L.A. Bridges II programs to allow sufficient time for evaluation of these programs and implementation of evaluation findings;
- Restoring full funding to programs that address gang violence, youth development and homelessness;
- Providing funding or a mechanism for funding for projects identified as priorities in the 32nd Year Reprogramming Process (06-0100-S12); and
- Providing funding for CDBG eligible projects that do not impact the Public Services or Administrative funding caps.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

Relative to the approval of the 33rd PY Consolidated Plan:

1. Find that the 33rd Program Year Housing and Community Development Consolidated Plan (33rd PY Con Plan) - Fifth Year Action Plan will not have a significant effect on the environment, pursuant to the City's Environmental Guidelines, and in compliance with the California Environmental Quality Act of 1970; that the Notice of Exemption and Notice of Determination reflect the independent judgment of the lead Agency of the City of Los Angeles; that the documents constituting the record of proceedings in this matter are located in the Council File in the custody of the City Clerk, and adopt the Notice of Exemption and Notice of Determination for the 33rd PY Con Plan, to be submitted by the Community Development Department (CDD) and attached to the Council File. All projects involving new construction and/or major rehabilitation will require the preparation of a Mitigated Negative Declaration or Environmental Impact Report on a site-by-site basis;
2. Authorize the General Manager, Los Angeles Housing Department (LAHD), or designee, to sign on behalf of the City of Los Angeles, the Applications for Federal Assistance for the HOME, ADDI, HOPWA, and ESG programs, and the associated Grantee Certifications, subject to review and approval of the City Attorney as to form and legality, and forward the documents to CDD for further processing;
3. Approve the 33rd PY Con Plan and the related budgets for the Community Development Block Grant (CDBG) Program, Home Investment Partnership Act (HOME) Program, American Dream Downpayment Initiative (ADDI) Program, Housing Opportunities for

Persons with AIDS (HOPWA) Program and Emergency Shelter Grant Program (ESG), included as Attachments A through F to this report, and as amended by the City Council;

4. Authorize the General Manager, CDD, or designee, to submit the Final 33rd PY Con Plan - Fifth Year Action Plan to HUD upon approval by the Mayor and Council;
5. Authorize the General Manager, CDD, or designee, to sign on behalf of the City the Application for Federal Assistance for the CDBG Program and the associated Grantee Certifications, subject to the review and approval of the City Attorney as to form and legality, and return the documents to HUD;
6. Instruct the General Manager, CDD or designee to:
 - a. Provide written notifications to all applicants of the 33rd PY Con Plan, as follows:
 - i. To unsuccessful applicants, informing them that they are not funded and advise them of the availability of current and forthcoming Request for Proposals opportunities as available;
 - ii. To successful applicants, advising them of final award recommendation and informing them of current and forthcoming RFP opportunities;
 - iii. To agencies funded under the CBDO category, advising them that grant funds and the execution contract is contingent upon their successful certification as a CBDO; and
 - iv. For all categories, provide copies to the relevant Council Offices and the City Attorney;
 - b. Instruct the General Manager of CDD, or designee, to provide written notice to all CDBG implementing departments and agencies to refrain from programming or expending CDBG savings as articulated in the CDBG Expenditure Policy and Guidelines adopted by Council on September 12, 2003 (C.F. 01-2765-S2).

Relative to Contract Authorities:

7. Authorize program implementing departments to negotiate and execute contracts and interdepartmental agreements with the grant recipients identified in this report (Attachment G), in an amount not to exceed that set forth in the 33rd PY Con Plan, and in consultation with CDD and LAHD as the grant administrators, and in substantial conformance with the pro forma agreements for public services activities or for construction as provided in Council File 06-2366, subject to the review and approval of the City Attorney as to form and legality and the Public Works Bureau of Contract Administration as to compliance with the City's contracting requirements, subject to federal approval of the 33rd PY Con Plan, and receipt by the City of the grant funds;

8. Instruct the CAO, or designee, to report in 10 days with an analysis and recommendations on departmental requests and necessary implementing language for related authorities and administrative allocations based on the Council and Mayor's approval of the 33rd PY Con Plan;
9. Instruct the General Manager of LAHD, or designee, to provide HOME, HOPWA and ESG balances to the CAO and CLA upon request, including comments on unexpended balances and receipt of program income;

Relative to Expenditure Policy and CDBG Task Force:

10. Instruct the CDBG Task Force to:
 - a. Report on or by April 30, 2007 with recommendations to update the CDBG Expenditure Policy, including a review of the Mayor's proposed changes as reflected in Attachment 8 of the January 4, 2006 transmittal on 33rd PY Con Plan;
 - b. Review the CDBG account balances to identify savings to address other City priorities and repayment obligations, if any, and make recommendations to the Mayor on or before August 30, 2007;
 - c. Report on a quarterly basis to the Council and Mayor with a status and with recommendations, including proposed changes to the CDBG Expenditure Policy and the CDBO certification process (based on HUD's determination). Also report on the impacted programs that will not be able to expend prior year CDBG funds;
 - d. Consider the impact of a program year change and report to the Council and Mayor at the time of mid-year reprogramming with recommendations no later than September 30, 2007; and
 - e. Report periodically on the status of the City's CDBG expenditures.
11. Instruct the General Manager of CDD, or designee, to:
 - a. Immediately report to the Council, Mayor, CLA and CAO upon receiving notification from HUD on any consequences resulting from the timeliness mandate;
 - b. Prepare, with assistance from LAHD and the CRA, reports to the Mayor, Council and the CDBG Task Force on program balances and program income receipts for all Consolidated Plan sources;
 - c. With the assistance of the CDBG Task Force, to monitor public services expenditures against the public services cap throughout the program year. Also, continue to monitor administrative and planning expenditures against the cap and discuss opportunities for increasing related costs funding;
 - d. Report to the Chair of Housing, Community and Economic Development Committee and the CAO and CLA as soon as notification is received from HUD

relative to the proposed expansion of the CBDO policy. Also present recommendations that may be necessary based on the outcome;

- e. With the assistance of the CDBG Task Force, to identify Neighborhood Facility Repair needs and report to the Council and Mayor with recommendations for necessary reprogramming amounts;
- f. Report to the Council and Mayor within 15 days relative to the impact of CDBG funding appropriations to the Human Services Delivery System (HSDS) on the Family Development Networks and Neighborhood Action Programs;
- g. Report to the Council in 30 days with the status of the City's Economic Development Strategy; and
- h. Approve the use of \$128,000 in 33rd PY Con Plan funding for the implementation of the Capacity Builds L.A. Workshops, pending a report back to the Council relative to how these workshops will address the needs of public services agencies affected by funding reductions. Report also with necessary contracting information, such as the names of the recommended consultants, funding amounts per consultant and anticipated scope of work.

Relative to conducting CDBG Program Evaluations:

- 12. Instruct the General Manager of CDD, or designee, to work with the Controller and report back to the Council and Mayor with recommendations relative to the evaluation scope and identification of available staffing and funding resources that could be used to facilitate the evaluations of both L.A. Bridges II and HSDS. The evaluations should be coordinated with any evaluation efforts recommended by the Ad Hoc Committee on Gang Violence and Youth Development relative to the Citywide gang activity reduction strategy;
- 13. Refer to the Budget and Finance Committee the matter of the use of \$150,000 in 2004-05 program savings allocated to the L.A. Bridges Program in combination with the \$350,000 in approved 33rd PY Con Plan CDBG funds, for a total available funding of \$500,000, for the hiring of a consultant to review and make recommendations on program evaluation methodologies and best practices, pending a report back from CDD with recommendations for implementation.

Block Grant Investment Fund Policies and Projects:

- 14. Instruct the Block Grant Investment Fund (BGIF) Working Group to report to the Council and Mayor on or by May 2007 with recommendations: 1) to clearly outline a policy on the use of the BGIF Reserve funds, including the percentage of annual Section 108 repayment loan funds that should be backed by the BGIF reserve; 2) to expedite and simplify the BGIF application and approval process; and 3) to broaden the scope of BGIF to include other economic development needs such as those proposed in the Mayor's Commercial and Economic Development Initiative, the South L.A. Initiatives and recommend a policy;

Relative to the Homelessness Initiative:

15. Approve the dollar for dollar exchange of UDAG funds for CDBG funds from the Homeless Pledge Reserve approved in the 32nd PY mid-year reprogramming report (C.F. 06-0100-S12). Also approve the dollar for dollar exchange of Homeless Pledge Reserve funds to projects that are CDBG-eligible and have UDAG funds, including community agencies that were certified as CBDOs subsequent to receiving UDAG allocations in 2006, as reported in C.F. 06-0100-S6 and S9.
16. Approve the use of \$771,756 from Urban Development Action Grant (UDAG) funds to expand homeless shelter and related services, consistent with the actions of Council in the 32nd PY Mid Year Reprogramming, subject to the approval of the CAO and CLA, giving priority to underserved homeless populations and areas of the City;
17. Refer to the Budget and Finance Committee the matter of the use of \$830,000 in General Fund Savings from the following sources for the Streets or Services Program:
 - a. \$729,351 from the Los Angeles Homeless Services Authority (LAHSA) General Fund Savings; and
 - b. \$101,578 from L.A. Bridges General Fund savings.
18. Instruct the CLA and CAO to report to Council with recommendations for the use of up to \$830,929 General Fund savings identified above for the Streets or Services program;
19. Authorize the General Manager, Los Angeles Housing Department (LAHD), to execute a contract or amend an existing contract in an amount not to exceed \$1.6 million with LAHSA for homeless shelter and services expansion and LAHSA administrative expenses through June 30, 2008 to be paid from funds listed in Recommendations 16 and 17;
20. Instruct the CLA and CAO to investigate scattered site rental assistance as an eligible use of HOME funds and report to Council with recommendations.

Relative to technical adjustments and reprogramming actions:

21. Authorize the CLA and CAO, with assistance from the General Managers of CDD and LAHD, to make any necessary technical adjustments to the documents included in this report to reflect Council actions approving the 33rd PY Con Plan;
22. Authorize the CLA and CAO, with assistance from the Community Redevelopment Agency (CRA) to continue discussing the feasibility of using CRA funds to offset public services program reductions and report to the Council and Mayor before September 2007 should funding opportunities be identified;
23. Authorize the General Managers of CDD and LAHD, or designees, and other implementing departments, or designees, to prepare Controller instructions and to make any necessary technical adjustments and corrections relative to the Mayor and Council

approved 33rd PY Con Plan and subsequent amendments, subject to the approval of the City Administrative Officer, and instruct the Controller to implement the instructions;

24. Instruct the CAO, or designee, to report in 10 days with an analysis and recommendations on departmental requests for approval of any necessary technical language required to implement current year activities;
25. Authorize the General Manager of CDD, or designee, to prepare Controller instructions and/or make any technical adjustments that may be required and are consistent with this action subject to the approval of the CAO and instruct the Controller to implement these instructions; and
26. Authorize the General Manager of CDD, or designee, and the Community Redevelopment Agency (CRA) Chief Executive Officer (CEO), or designee, to exchange on a dollar for dollar basis, CRA Tax Increment or AB 1290 monies with CDBG funds allocated to the following projects in 32nd Program Year Reprogramming actions:
 - a. African American Firefighters Museum (\$117,000; C.F. 05-0093-S3); and
 - b. Mercado la Paloma (\$420,000; C.F. 06-1531).

FISCAL IMPACT STATEMENT

There is a General Fund impact. The recommendations within this report addresses the Proposed 33rd Program Year (PY) Consolidated Plan (Con Plan) for 2007-08, which comprises total funds of \$185.9 million from the federal Community Development Block Grant (CDBG)-\$113.9 million, HOME Investment Partnerships - \$57.3 million, Emergency Shelter Grant - \$3.2 million and Housing Opportunities for Persons with AIDS - \$11.5 million. All recommendations are subject to the final award of grant funds by the U.S. Department of Housing and Urban Development. This report also addresses consideration of a Council and Mayor policy decision that could potentially require a Reserve Fund Loan or a General Fund obligation of up to \$4.3 million if funds are awarded to CDBG recipient agencies based on the Mayor's expanded interpretation of Community Based Development Organization (CBDO) requirements. As much as \$8.9 million in non-CDBG funds would be required if the Council and Mayor approved, as a policy, to fully fund all agencies proposed by the Mayor in the 33rd PY Con Plan. However, that determination should be contingent on a report back from the Community Development Department on or by April 1, 2007, the start of the 33rd PY Con Plan.

This report also contains companion recommendations to utilize \$150,000 in General Funds savings to complete a CDBG Program Evaluation and \$830,929 in General Funds savings to fulfill Homelessness Initiative efforts.

These recommendations are in compliance with the City's Financial Policies inasmuch as the continuation of grant-funded programs is restricted to those that are currently grant eligible and the continuation of programs beyond the stated contract period and available resources will be contingent on identification of additional revenues. These savings are not needed for budget-balancing actions this year or next.

Attachments

- A Comparison of Proposed Resources
- B Mayor's Proposed HOME Resources and Expenditures
- C Mayor's Proposed HOPWA Resources and Expenditures
- D Mayor's Proposed ESG Resources and Expenditures
- E 33rd PY CDBG Cap Calculations
- F CDBG Resources and Expenditures
- G CDBG Resources and Expenditures Footnotes
- H Community Based Development Organizations Allocations
- I Neighborhood Facility Repair – CDD- Managed Buildings
- J Potential Block Grant Investment Fund Projects
- K Council District Requests and Priorities

FINDINGS

1. Background

The 33rd Program Year (PY) Consolidated Plan (Con Plan) for 2007-08 covers four federal grants for a twelve-month program year beginning April 1, 2007 through March 31, 2008. These U.S. Department of Housing and Urban Development (HUD) entitlement grants include the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME)/ American Dream Downpayment Initiative (ADDI), Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) programs. The 33rd PY Con Plan represents the fifth year of a Five-Year Action Plan for the period 2003-2008.

The Mayor's proposed 33rd PY Con Plan was published on January 9, 2007. At the January 23, 2007 meeting of the Housing, Community and Economic Development (HCED) Committee, the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA) were requested to coordinate responses to various questions raised with regard to the proposed plan to allocate \$185.9 million in federal funds (C.F. 06-2366).

2. Estimated Con Plan Resources

The Mayor's total proposed budget for the 33rd PY Con Plan is \$185.9 million, an increase of \$6.5 million from the 32nd PY due to increases in program income and loan repayments. The chart below provides a summary of estimated resources for the four Con Plan grants.

	32 nd PY	33 rd	Change	% Change
CDBG	\$107,688,798	\$113,867,649	\$6,178,851	5.7%
HOME/ADDI	56,939,663	57,305,846	366,183	0.6
HOPWA	11,354,162	11,545,740	191,578	1.7
ESG	3,159,024	3,184,418	25,394	0.8
Totals	\$179,141,647	\$185,903,653	\$6,762,006	3.8%

The budget figures are based on entitlement estimates provided by HUD, program income and savings projections and are subject to change. Actual entitlement amounts will not be known until completion of the federal approval process for the appropriations. See Attachment A for more detail on resources.

3. Allocations

The Mayor's proposed 33rd PY Con Plan itemizes all the programs the City will implement in 2007-08 with the CDBG, HOME/ADDI, ESG and HOPWA federal entitlement grants received from HUD. The chart below provides a summary of proposed allocations of resources from the four federal entitlement grants.

	CDBG	HOME/ADDI	HOPWA	ESG	Total
Public Services	\$16,421,251	--	--	--	\$ 16,421,251
Special Activities by CBDOs	17,882,702	--	--	--	17,882,702
Economic Development	13,631,707	--	--	--	13,631,707
Housing and Related Programs	28,700,402	\$51,914,474	\$10,458,289	\$3,024,467	94,097,632
Neighborhood Improvements	8,455,156	--	--	--	8,455,156
Public Facilities / Public Improvements	8,187,072	--	--	--	8,187,072
Administration / Planning	20,589,359	5,391,372	1,087,451	159,951	27,228,133
Totals	<u>\$113,867,649</u>	<u>\$57,305,846</u>	<u>\$11,545,740</u>	<u>\$3,184,418</u>	<u>\$ 185,903,653</u>

The proposed programs were determined to meet one or more of the funding goals and priorities indicated in the City's 2003-08 Action Plan. Attachments A through F detail proposed 33rd PY Con Plan expenditures for CDBG, HOME, HOPWA and ESG respectively.

4. Proposed Program Year Change

The Mayor's proposal recommends extending the duration of the 33rd PY Con Plan calendar by three months to end on June 30, 2008. The 34th PY Con Plan (2008-09) would start on July 1st rather than on April 1st. According to the Mayor's report, the advantages of this proposal may include the opportunity for improved coordination, evaluation and leveraging of Con Plan resources with other City resources.

It should be noted that HUD would not provide additional funds if three months are added to the 33rd PY Con Plan calendar. Also, funding recommendations in the Mayor's proposed 33rd PY Con Plan are based on a 12-month, rather than 15-month program year. Therefore, funds for the additional months would need to be identified in order to effectuate this change.

The Mayor proposes that the necessary funds can be identified from program savings pursuant to the mid-year reprogramming process. Because the addition of three months to the 33rd PY Con Plan are not anticipated to result in increases to the public services and administrative/planning cap amounts, programs and services funded under these categories may be adversely impacted by this proposal.

Given the unknown impacts of this proposal on programs and activities funded within the Consolidated Plan, we recommend that the CDBG Task Force be instructed to consider the impact of a program year change and to report to the Council and Mayor at the time of mid-year reprogramming with recommendations no later than September 30, 2007. The CDBG Task Force's report should include consideration of the last time the Program Year was changed and impacts to the ability of Council to thoughtfully consider the Consolidated Plan, given that the City's Budget process would occur concurrently with the new Program Year. CDD reports that there is sufficient time for this change to be effective in the 34th PY Con Plan, should Council adopt this proposal at mid-year.

5. Results of 32nd PY Reprogramming/Timeliness

On December 20, 2007, the Council reprogrammed \$22.6 million in CDBG dollars to fund various projects identified as Council and/or Mayor priorities through the mid-year reprogramming process (C.F. 06-0100-S12). At that time, the City was required to expend (draw down) approximately \$36.0 million within a very short timeframe and have not more than 1.5 times the annual grant in its line-of-credit balance by January 31, 2007. The City's objective was to meet the HUD timeliness expenditure mandate (CDBG 24 Code of Federal Regulation 570.902). The Mayor's Office had worked with CDD and LAHD to develop expenditure targets. In December 2006, CDD projected the expenditure of \$10.0 million by January 31, 2007, mostly to cover staff salaries and human services contracts. LAHD projected the expenditure of \$13.7 million by January 31, 2007 through the payment of staff salaries, contracts and homeownership activities. The remainder of expenditure targets would be achieved through the funding of new initiatives and the ongoing expenditures by smaller recipient operating departments.

On January 30, 2007, CDD reported that \$25.8 million was expended, leaving a target drawdown balance of \$10.1 million. Below is an updated timeliness expenditure summary.

Timeliness Expenditure Variables	December 4, 2006	January 30, 2007	Difference
Target Letter of Credit Balance	\$ 111,680,237	\$111,680,237	\$0
Letter of Credit Balance	(144,297,217)	(121,824,320)	22,472,897
<i>Expenditure/Drawdown Requirement</i>	<i>\$(32,616,980)</i>	<i>\$(10,144,083)</i>	<i>22,472,897</i>
Projected program income to be received	(3,370,224)	0	3,370,224
Adjusted Expenditure/Drawdown Requirement	\$ 35,987,204	\$10,144,083	\$(25,843,121)
<i>Expenditure Ratio</i>	<i>1.98</i>	<i>1.64</i>	<i>(0.34)</i>

At this time, no additional information is known relative to what actions, if any, may be taken by HUD. Corrective actions could potentially reduce future CDBG grants to the City over two program years. The reductions could affect the 34th PY Con Plan (2008-09) award at the earliest. We recommend that CDD be directed to immediately report to the Council, Mayor, CLA and CAO upon receiving notification from HUD on any consequences resulting from the timeliness mandate. Meeting the timeliness target has become exceedingly difficult. As a result, the City reactivated the CDBG Task Force. The Task Force has begun meeting and will report periodically on the status of the City's CDBG expenditures.

6. CDBG Expenditure Caps

A. Public Services Cap

Under the CDBG program, the City may expend no more than 15 percent of CDBG funds on public services programs within the program year. The amount available for public services in the 33rd PY Con Plan is \$16.4 million, based on the calculations below:

Public Services Calculation	
Public Services - Mayor's Proposed	\$16,421,251
Entitlement Amount (includes federal reallocation)	\$74,453,491
Actual Program Income Receipts (based 32nd PY)	<u>35,022,848</u>
Total Basis for Public Services Cap	\$109,476,339
Multiply by 15 percent	X 15%
Total Available for Public Services	\$16,421,451
<i>Available Limit (Budgeted minus Available)</i>	\$200

The program income is attributed to LAHD Section 108 Program repayment, other LAHD-monitored loan repayments and float loan receipts (Attachment E). Additional public services projects beyond \$200 cannot be added unless offsets can be identified. We recommend that CDD, with the assistance of the CDBG Task Force, monitor public services expenditures against the public services cap throughout the program year.

B. Administrative and Planning Cap

The City may expend no more than 20 percent, or \$20.6 million, on administrative and planning activities. The amount available for these activities is based on the calculations below:

Administrative/Planning Calculations	
Administrative/Planning Activities-- Mayor's Proposed	\$20,589,359
Entitlement Amount (includes federal reallocation)	\$74,453,491
Projected Program Income Receipts (based on 33rd PY)	<u>28,493,303</u>
Total Basis for Admin./Planning Cap	\$102,946,794
Multiply by 20 percent	X 20%
Total Available for Admin./Planning Activities	\$20,589,359
<i>Available Limit (Budgeted minus Available)</i>	(\$0)

Projected program income includes Section 108 Program repayment, Earthquake and other LAHD-monitored loans receipts (Attachment E). We recommend that CDD, with the assistance of CAO and CLA, continue to monitor administrative and planning expenditures against the cap as part of the CDBG Task Force oversight. We additionally recommend that the CDBG Task Force discuss opportunities for increasing related costs funding in the 33rd PY Con Plan to alleviate any General Fund obligations.

In December 2006, the Council directed CAO and CLA to meet with the Community Redevelopment Agency (CRA) to discuss the feasibility of using CRA funds to offset PS program reductions as part of 33rd PY Con Plan and the CRA Mid-Year budget deliberations (C.F. 06-0100-S12). While this discussion is ongoing, it does not appear at this time that significant expenses in the Public Services category of funding are eligible for regular Agency funds. The CAO and CLA will continue to work with CRA and report back to the Council and Mayor should funding opportunities be identified.

7. Mayor's Proposed Expanded CBDO Definition

On January 4, 2007, the Mayor released a letter to the Secretary of the U.S Department of Housing and Urban Development (HUD) for two purposes: 1) to request an increase in

the Public Services cap from 15 percent to 25 percent; and 2) to clarify and expand the manner in which the CBDO regulations are implemented. (See Attachment 7 of the Mayor's 33rd PY transmittal dated January 5, 2007.)

A. Public Services (PS) Cap

Increasing the PS Cap to 25 percent would add significant monies for PS programs. For example, the PS funding in the 33rd PY Con Plan would add \$10.9 million to the existing threshold, revising the annual expenditure limit from \$16.4 million to \$27.3 million. An increase would augment participation by other eligible social services agencies that the City cannot currently fund because of the cap. HUD increased the City's PS Cap to 25 percent in 1993 as an exemption in the aftermath of the 1992 civil disturbance. The cap reverted to 15 percent in 2004-05 (30th PY Con Plan).

B. CBDO Regulations

The Mayor's proposed implementation would interpret the CBDO requirements delineated in the CDBG 24 Code of Federal Regulations (CFR) 270.204, specifically the geographic reference "**primarily within an identified geographic area of operation within the jurisdiction of the recipient**" as follows:

- Certify an agency with a citywide service area provided that the area of operation is adequately defined in the agency's governing documents;
- Certify an agency with a countywide service area as long as the organization's contracted City services are provided primarily within the jurisdiction of the City.
- Certify an agency with a non-contiguous service area as long as the services are provided primarily within a defined geographic area of operation within the City.

The Mayor's proposal is based on this expanded interpretation of CBDO regulations. If accepted by HUD, more agencies would be eligible for funding under the CBDO category than under the existing policy interpretation. At the time of this report, the City had not received a response from HUD. Should the Council approve the Mayor's proposed Consolidated Plan (and corresponding allocations) in anticipation of receiving approval by HUD, then we recommend that CDD be directed to report back to the Council as soon as such notification is received.

8. **Community Based Development Organization (CBDO) Funding**

Based on the proposed, expanded interpretation of CBDO regulations, the Mayor proposes allocating \$17.9 million in the CBDO category. Eligibility for CBDO certification is based on the type of activity that will be provided, the agency's board composition and the geographic area of service. Agencies recommended for funding are expected to be CBDO certified and/or eligible for immediate certification. The proposed CBDO funding includes \$10.6 million for agencies that are currently certified or that meet CBDO criteria and \$7.3 million for agencies that are not certified. Of the non-certified agencies, \$3.1 million would be eligible only if the Mayor's proposal is approved; and \$4.2 million

appear to be altogether ineligible. Attachment H of this report includes a detailed summary of CBDO eligibility status and our recommendations. Below is a brief summary.

	No. Agencies	Mayor's Proposed	CLA/CAO Recommend ¹	With Expanded ¹
Certified = Agency is certified and a certification ID number is provided.	15	\$ 7.4 million	\$10.8 million	\$10.8 million
Eligible for Certification = Agency meet existing criteria and needs only to submit application to City.	2	3.2 million		
Eligible for Certification with Mayor's Proposed = Agency would qualify if the proposed geographic expansion is approved, pending submittal of application.	15	3.1 million	0	4.3 million
Ineligible / Undetermined = Agency does not meet other CBDO criteria, even if Mayor's proposal is approved. Agency would need to change organization in some way to qualify and/or there was insufficient information to make a determination. ²	17	4.2 million	0	0
Subtotal CBDO Agencies	48	\$ 17.9 million	\$10.8 million	\$15.1 million
CBDO Reserve - Expanded			\$ 4.3 million	\$ 0
CBDO Reserve - Unallocated			4.6 million	4.6 million
Subtotal CBDO Reserve (Expanded + Unallocated)			\$8.9 million	\$4.6 million
TOTAL			\$19.7 million	\$19.7 million

¹ The City Attorney has indicated that they will not sign contracts for agencies that are not certified as CBDOs.

² The recommended amounts augment funding to the Human Services Delivery System Program and L.A. Bridges from six to 12 months.

Our recommendations are adjusted to reflect recommended restoration of funding to the Human Services Delivery System Program and L.A. Bridges from six to 12 months. If the City were to authorize departments to execute contracts with agencies that are not CBDO certified today, pursuant to HUD's approved procedure, up to \$8.9 million (Mayor's proposed - \$4.3 million and ineligibles - \$4.6 million) in alternative funds would need to be identified to pay agencies that do not ultimately become certified. The impact of choosing this option is compounded by other Citywide demands, such as the projected \$243 million General Fund shortfall for 2007-08 attributable to challenges such as declining documentary transfer tax revenue, efforts to increase the size of the police force, increasing debt service obligations, and other major commitments and obligations (C.F. 06-0600).

The City Attorney has advised that they will not sign contracts unless agencies have obtained CBDO certification according to a HUD-approved interpretation.

A. Recommended Funding

In 2006-07, the City faced a similar situation in addressing ineligible agencies earmarked for CBDO funding when it was reported that they would be unable to obtain CBDO certification. The Council and Mayor identified alternative fund sources as a one-time action to sustain services in an effort to minimize disruption in that program year

(C.F. 02-1072 and 06-0100-S6, -S8, -S9), with the understanding that the 33rd Program Year Consolidated Plan would only fund eligible agencies.

Thus, we recommend funding only for agencies currently certified or qualified for certification under the current interpretation of CBDO regulations (\$10.8 million). Funds allocated to agencies that are not CBDO certified today (\$8.9 million) are set aside in the CBDO category of funding in two line items (Attachments F and H). The "CBDO Reserve" line item (\$4.3 million) contains funds allocated to agencies that are not currently eligible for CBDO certification, but would become eligible upon approval from HUD of the Mayor's proposed expanded interpretation. The "CBDO Unallocated" line item (\$4.6 million) contains funds allocated to agencies that are ineligible for CBDO certification under either definition.

Agencies and programs included in the Mayor's proposal that are ineligible for CBDO certification under either interpretation of the requirements and for which alternate funding is not identified in this report include the Canaan Workforce Development Program, the Los Angeles Conservation Corps, the Career Planning Center, the Los Angeles Community College District, Neighborhood Legal Services of Los Angeles County, 1736 Family Crisis Center, Children's Bureau of Southern California, and the Community Financial Resource Center.

We recommend that the CDD be directed to report back to Council on or before April 1, 2007 to report on the status of HUD's determination.

B. Impact of approving funding to agencies in CBDO Reserve:

If the Council makes the decision to approve funding from the CBDO Reserve for agencies that would become CBDO eligible under the Mayor's proposed expanded definition (\$4.3 million) prior to HUD approval of this definition, then a Reserve Fund Loan should be established. The loan would only be repaid upon approval from HUD and subject to final CBDO certification by CDD. To the extent that the expanded definition is not approved by HUD or that the agencies do not ultimately become certified, the Reserve Fund Loan would not be repaid and this would become a General Fund obligation. At that time, the Council can determine whether the Reserve Fund Loan is appropriate and at what funding level.

C. CBDO Unallocated- \$4.6 million

Other funding sources (\$4.6 million) would need to be provided so that agencies that are altogether not eligible for CBDO certification, even under the proposed expanded definition, could continue to provide services at a level comparable to the current year. The following options are available to Council to continue funding agencies that will not receive funding according to this recommendation:

- Swap from the General Fund with CBDO;
- Swap with UDAG-funded projects;
- Swap with CRA AB 1290 or other acquisition funds; and

- Instruct CAO to report to Budget and Finance Committee during the deliberation of the 2007-08 City Budget to identify CIEP projects that are eligible for fund exchange.

D. Alternative Uses of the CBDO Reserve and CBDO Unallocated

Any allocation of one-time funds, such as fund exchanges, to compensate CBDO-ineligible programs should be done so with the understanding that this is a one-time source of funds, and that on-going funding will not be available, unless funds are identified in the future. This will prevent the recurrence of this problem in future Consolidated Plans.

To the extent that funds allocated in the CBDO Reserve and CBDO Unallocated line items are not needed as a source for swaps, the following options are available for these funds:

1. Increase funding to existing CDBG-funded projects, except for non-PS cap-impacted projects, in need of additional funds so that they may be completed;
2. Use funds for other non-PS cap-impacted projects identified elsewhere in the Proposed 33rd PY Con Plan;
3. Instruct CDD to prepare and present a Request for Proposals for CDBG-eligible programs and services; or
4. Fund CDBG-eligible Council Office requests identified in Attachment J of this report.

9. Restoration of Partially Funded Programs

The Mayor proposes six months' CDBG funding in the PS and CBDO categories for two CDD-administered programs: L.A. Bridges II Program and the Human Services Delivery System (HSDS) Program. We recommend that funding be restored to current year funding levels and that funds be augmented to 12 months. These two programs are described below.

A. L.A. Bridges II Program

Both the PS and CBDO allocations to the L.A. Bridges II Program are reduced by fifty percent from the 32nd PY Con Plan in the Mayor's proposal. The Mayor reports that this recommendation was developed in anticipation of the release of the City's commissioned study of gang programs. This study has been released and does not include an evaluation of gang programs upon which funding decisions can be based. In order to ensure that existing gang intervention services remain at current levels, pending final recommendations relative to a citywide gang strategy are developed, we recommend that CDBG funds for this program be fully restored in the 33rd PY Con Plan.

CDD reports that three of the four L.A. Bridges II contractors (representing \$216,972) provided with funding in the CBDO category are ineligible for CBDO certification. We recommend that additional funding in this amount be provided in the PS category of

funding, for a total allocation in the PS category of \$899,766 for the L.A. Bridges II Program. The remaining \$72,324 for L.A. Bridges II in the CBDO category which is sufficient to fund the one remaining CBDO-certified contractor for one year. In the meantime, the City can properly implement a program evaluation.

B. HSDS Program

The HSDS is comprised of two CDD-administered programs: the Family Development Networks (FDNs) and the Neighborhood Action Programs (NAPs). CDD contracts with 12 FDN agencies and 75 NAPs. These agencies were competitively selected in 2003 (C.F. 02-1072). In addition to CDBG, the HSDS is also funded with State Community Services Block Grant (CSBG) funding. CDD anticipates receipt of up to \$5.4 million in CSBG funds for the 2007-08 program year.

The Mayor's proposal provides \$8,317,823 in CDBG funds for the existing HSDS, which represents an overall funding reduction of 20 percent from the current year funding level. Funding is provided for six months under both the PS category (\$476,338) and under CBDO (\$4,646,051), with the remaining CBDO funds (\$3,195,434) to be placed in a reserve line item for appropriation pending the results of an evaluation of the HSDS. The PS category allocation of \$476,338 to the HSDS represents a 64 percent reduction.

We recommend that the PS funding for the HSDS be restored to \$1.3 million, and that sufficient funds in the CBDO category be provided to fund FDN's that meet CBDO certification criteria (\$2.3 million). In addition, we recommend that all HSDS services in this Con Plan be funded for a full year to allow sufficient time to evaluate the program, approve and implement resulting recommendations, which may include the release of a new Request for Proposals process.

Of the 12 FDNs, CDD reports that three agencies are certified according to the current interpretation of CBDO certification requirements; three agencies would be eligible for certification according to the Mayor's expanded interpretation; and that six agencies are altogether ineligible. Assuming annual funding, up to \$4.6 million would be needed to fund the certified agencies and those that may be certified under the Mayor's expanded CBDO interpretation of those requirements.

CDD recommends that the FDN's be prioritized to receive full funding from all available sources. This will require that the six non-CBDO eligible FDN agencies receive up to \$4.6 million from the CDBG-PS category and CSBG funds. These funds, notably the CSBG funds, have typically been used to fund the NAPs. Based on estimated 2007 CSBG funding of \$5.4 million and the recommendation to fully fund FDNs, limited funding will therefore be available to fund the NAP agencies. Consequently, we recommend that CDD report to the Council in 15 days with recommendations to address impacts to the NAP Program.

10. Commercial and Industrial Development Initiative

The Mayor proposes \$3.5 million for the establishment of a Commercial Industrial Development Initiative (CIDI). The proposed initiative is comprised of four strategies that

are intended to enhance CDD's incentive programs for small businesses. These programs include: the Displacement and Relocation Fund (\$1.5 million); the Loan Assistance Program (\$1,000,000); the Equipment Loan Program (\$500,000) and expansion of the Los Angeles Business Assistance/Retail Program (LABAP) (\$500,000).

Three of the strategies (the Loan Assistance Program, the Equipment Loan Program and the LABAP) are designed to target industry cluster businesses identified by CDD within a City Economic Development Strategy. The CDD reports that this strategy is not yet complete, and specific industry clusters were not defined at the time of this report. We further recommend that CDD be instructed to report to Council in 30 days with the status of the City's Economic Development Strategy.

CDD's analysis of the CIDI proposal indicates that most of the services to be provided by this initiative are currently being provided by other existing programs. Namely, the CDBG Block Grant Investment Fund, Brownfields Development Opportunities and Los Angeles Business Assistance Program (LABAP) retail component are compatible with the goals of the CIDI as described by CDD.

We recommend that the scope of these current programs be revised as necessary to accommodate the activities proposed for the CIDI and therefore, no funds are recommended expressly for the CIDI at this time. These programs should be reviewed for additional funds at the time of mid-year reprogramming to the extent that funds are expended more rapidly due to the expanded scope. Additional funds should be provided at this time only upon CDD's transmittal of the City Economic Development Strategy, including a plan for implementation of the Section 108 plan.

11. Block Grant Investment Fund (BGIF) Policies and Projects

The BGIF Working Group (Working Group) was instructed to convene to review the current BGIF policy and report back with recommendations to expedite and simplify the application and approval process, and to consider broadening the scope of BGIF to include other economic development needs. We recommend that the scope of their work be broadened to include projects such as the Mayor's proposed Commercial and Industrial Development Initiative and recommend that the Working Group be instructed to report back to the Council and Mayor with a policy on the use of BGIF reserves. The Working Group is comprised of representatives of the Mayor's Office, CAO, CLA, CDD, City Attorney and CRA. The Working Group met in 2006 on this item, and is currently soliciting comments from each member to discuss options and ideas pertinent to this directive. We expect to have a revised draft policy by Spring of 2007.

We recommend that the existing list of BGIF eligible projects included in the Mayor's proposal (Attachment 9 of the Mayor's 33rd PY Con Plan transmittal) be expanded to include:

- Projects included in the South LA Investment Fund that remain after those funds have been exhausted; and

- Capital projects to facilitate the relocation of businesses relocated by Los Angeles Unified School District construction as proposed within the Commercial Industrial Development Initiative.

12. Funds for Homelessness Initiatives

The Mayor's proposal provides \$9.8 million for programs serving the homeless. Of this amount, \$8.2 million is CDBG funds proposed from both the PS (\$5.4 million) and CBDO (\$2.8 million) categories to continue support existing programs funded in the current year.

An additional \$1.6 million is proposed from sources outside the Consolidated Plan to support funding for additional emergency shelter beds, consistent with the Council's actions in approving the 32nd PY mid-year reprogramming, and also for the Streets or Services (SOS) Program. These proposals are also consistent with a Council Motion (Perry – Rosendahl), approved by Council on February 7, 2007 (C.F. 06-2440).

The additional \$1.6 million is recommended from various sources, including General Fund savings from Los Angeles Homeless Services Authority (LAHSA) and L.A. Bridges (\$830,000), and a swap of Urban Development Action Grant (UDAG) funds (\$771,756) for CDBG funds in the Homeless Pledge Reserve approved as part of 32nd PY mid-year reprogramming actions (C.F. 06-0100-S12). CDBG funds from the Homeless Pledge Reserve will be allocated to projects that are both CDBG-eligible and have allocations of UDAG funds, including various community agencies that were certified as CBDO's subsequent to receiving UDAG funds in 2006 (C.F. 06-0100-S6 and S9).

Pursuant to Council instruction (C.F. 06-2440), the CLA and CAO have formed a working group comprised of representatives from the Mayor's Office, City Attorney's Office, Los Angeles Homeless Services Authority (LAHSA) and City Council Offices to determine the ideal structure and funding amount for the Streets or Services Program. The work of this group is ongoing. However we recommend that the available General Fund savings of \$830,000 be allocated to support the expansion of this program. The CLA and CAO will report with a program design for the expenditure of these funds at the time this recommendation is considered by the Budget and Finance Committee.

LAHSA has confirmed that sufficient un-used shelter capacity exists in currently funded shelters to expend these funds and readily expand shelter and services. In order to expedite the expansion of homeless shelter and services to underserved populations and areas of the City, we recommend that Council authorize the use of identified UDAG funds in the amount of \$771,756 to existing LAHSA contractors, consistent with the actions of Council in the 32nd PY Mid Year Reprogramming, subject to the approval of the CAO and CLA.

13. Housing Programs

A. Affordable Housing Trust Fund

The Affordable Housing Trust Fund (AHTF) has been allotted \$5.4 million in CDBG funds in the Mayor's Con Plan proposal. This represents an approximately \$3 million increase

over the 32nd PY Con Plan final CDBG allocation. LAHD reports that CDBG funds in the AHTF will be used for program delivery costs, rather than allocations to Trust Fund projects in order to expend CDBG funds in a timely manner. Taking into account that an additional \$1.2 million in CDBG was added last year to the Trust Fund to offset an equal amount of General Funds for programs serving the homeless, the total net increase to the AHTF this year is approximately \$4.2 million.

Other programs for which funding is distributed through the AHTF Notice of Funding Availability (NOFA) include Multifamily Rehabilitation – Major Projects, and New Construction – Major Projects. CDBG funding for these programs has been discontinued this year. LAHD reports that affordable housing projects can take up to three years from when funds are awarded to fully expend their funds and that the provision of CDBG funds to these projects could, over time, adversely impact the City's CDBG timeliness ratio. For this reason capital funds for the AHTF are provided through the HOME grant, and program delivery costs are fully provided with CDBG funds. CDD reports that program delivery expenditures for projects funded with HOME funds are an allowable use of CDBG funds.

B. Other Housing Programs

A new program, Single Family Rehabilitation – One to Four Units is proposed by the Mayor to be funded with \$8.1 million. This program replaces the Single Family Rehabilitation – Basic & Comprehensive. Proposed funding in the 33rd PY Con Plan represents a net increase of approximately \$5.3 million for this activity. This corresponds to a decrease in funds for this activity in the HOME budget.

The Homeownership Assistance program receives a \$2.4 million increase this year. LAHD reports that this program has become increasingly popular and that these funds should be expended in the term of the Program Year. Funds for this purpose were reduced by \$1.0 million in the HOME budget, resulting in a net increase of \$1.4 million between the two funding sources.

The Mayor also proposes that the City's full allocation for Section 108 Debt Service be provided by CDBG. In prior years, this amount was divided between CDBG and HOME funds. LAHD reports that this will also contribute to the City meeting its CDBG expenditure timeliness goals.

14. Neighborhood Facility Repair

The Mayor's proposed \$1,913,049 in CDBG funding for Neighborhood Facility Repair (NFR) activities under the Public Facilities/Improvements Category. NFR is operated by CDD's Administrative Services and Neighborhood Development Division. Of the proposed funding, approximately \$1.0 million is provided to pay for the salaries and related costs of seven CDD staff positions and other operating expenses. This staff is responsible for various duties, including the management, renovation and/or construction of facilities operated by nonprofit community-based organizations and City departments. In addition, staff supports the implementation of the Neighborhood Facilities Matching Grant/Loan Program. The balance of the funds, \$0.9 million, is provided to pay for hard

costs associated with project rehabilitation needs at 48 City-owned and CDD-managed facilities throughout the City. CDD has since reported that only \$0.2 million is needed to pay for anticipated repair costs. Therefore, we recommend that only \$1.2 million be provided in the NFR allocation. Attachment I provides a summary of CDD-managed buildings.

Currently, there is \$669,358 in unspent prior years' NFR funding, of which it is estimated that \$360,000 is need to pay for existing site rehabilitation (i.e., Greater Watts Child Care reproof - \$100,000, Bradley-Milken roof replacement - \$100,000, Pacoima Youth and Family Center foundation and wall repair - \$160,000), leaving \$309,358 unencumbered by March 31, 2007. Assuming these dollars were not reprogrammed for other purposes, CDD anticipates that an additional \$200,000 in 33rd PY Con Plan CDBG funds would be required to sufficiently cover anticipated and unanticipated repair costs.

At this time, we do not propose reprogramming existing NFR fund balances. However, we recommend that the CDBG Task Force be directed to meet with CDD, as part of its oversight responsibilities, to revisit the organization and functions of the NFR staff, to establish realistic repair projections, and to report to the Council and Mayor with recommendations for reprogramming balances.

15. Administrative/Planning Allocations

The Mayor's proposed amount budgeted for CDBG administrative and planning activities in 2007-08 is \$20.6 million which provides approximately \$1.7 million to support the activities of collaborative entities such as the Housing Authority of the City of Los Angeles-HACLA (\$0.1 million), Los Angeles Homeless Services Authority-LAHSAs (\$1.5 million) and Shelter Partnership (\$0.1 million).

There are approximately \$18.0 million in direct departmental allocations, inclusive of an estimated \$4.3 million for overhead costs (to reimburse the General Fund). The recipient City departments include CDD, LAHD, Aging, City Attorney, Controller, Disability, Housing, Planning and the Public Works Board Office. There is still a balance of \$3.7 million remaining in overhead costs that are not recovered from the grant because of the administrative cap constraint. As less CDBG funds are allocated to cover overhead costs, there is a greater burden placed on the General Fund to offset these costs. The CDBG Task Force was directed to evaluate options for decreasing the General Fund impact and to report to the Council and Mayor with recommendations.

A. Program Evaluation

The Mayor recommends the use of \$350,000 in administrative and planning category funds to be used to hire a consultant to evaluate expenditure of CDBG funds. The consultant would review and make recommendations on program evaluation methodologies and best practices. An additional \$150,000 in 2004-05 General City Purposes (GCP) Program savings originally allocated to the L.A. Bridges Program is proposed, for a total available funding of \$500,000. The GCP funds were transferred to CDD's Fund 551 and therefore did not revert at that end of that program year.

We recommend that CDD be instructed to work with the Controller and report back to the Council and Mayor with recommendations relative to the evaluation scope and identifying the available resources that could be used to facilitate the evaluation of both L.A. Bridges II and HSDS. The evaluations should be coordinated with any evaluation efforts recommended by the Ad Hoc Committee on Gang Violence and Youth Development relative to the Citywide gang activity reduction strategy.

B. Capacity Builds L.A. Workshops

CDD initiated Capacity Builds L.A. Workshops (Workshops) that are offered free of charge to nonprofit agencies. The Capacity Builds L.A. Workshops began during Program Year 2005-06 as a pilot effort. CDD reports that over 200 individuals attended the grant-writing workshops. Year Two was kicked off in September 2006 with a goal of providing 18 seminars to community and faith-based agencies throughout the City (C.F. 06-2367). Other workshops include resource development, fiscal management, program development and evaluation. As of mid January 2007, CDD reports that 326 persons have attended the 2006-07 Workshops.

The Mayor proposes \$128,000 in CDBG funds to continue the Workshops in 2007-08. Training consultants who were selected through a Request for Qualifications process in May 2006 facilitate the workshops. However, a list of those consultants was not provided. Therefore, we recommend that CDD report back for the implementation of the Capacity Builds L.A. Workshops, pending a report back to the Council relative to how these workshops will address the needs of public services agencies affected by funding reductions. Report also with necessary contracting information, such as the names of the recommended consultants, funding amounts per consultant and anticipated scope of work.

16. CDBG Task Force

The Council directed the CAO to reconvene the CDBG Task Force (Task Force) in an effort to avoid reductions to future cycles of CDBG funding and to monitor expenditures (C.F. 06-0100-S12). The purpose of the CDBG Task Force is three-fold:

- To monitor **expenditure timeliness** throughout the program year and determine the root causes for slow expenditure.
- To make recommendations on a Citywide **Community Based Development Organizations (CBDO)** certification process, policies and monitoring recommendations, utilizing input from the City Attorney.
- To review the **CDBG Expenditure Policy and Guidelines** (Policy) and make recommendations relative to the expenditure of CDBG funds.

On February 1, 2007, the Task Force met to review both the current Policy and the Mayor's proposed changes to the Policy, as reflected in Attachment 8 of the Mayor's January 5, 2007 33rd PY Con Plan transmittal. In attendance were representatives from the Mayor, the Chair of the Council's Housing, Community and Economic Development Committee, CAO, CLA, CDD, Los Angeles Housing Department (LAHD), a representative from the Citizen's Unit for Participation (CUP) and the City Attorney.

The Task Force was directed to report on a quarterly basis to the Council and Mayor with a status and with recommendations. The Task Force expects to report in April 2007 with recommended actions, including proposed changes to the Policy and the CDBO certification process (based on HUD's determination). The Task Force will also report on the impacted programs that will not be able to expend prior year CDBG funds. All prior CDBG recipients are required to begin expenditure of funds before the beginning of the 33rd PY (April 1, 2007) or be subject to the possible forfeiture of funds, except for any project where such action would result in a legal claim (C.F. 06-0100-S12).

17. Contract Authorities

Departments must obtain Council and Mayor approval prior to executing contracts with agencies funded through the 33rd PY Con Plan. We received information relative to services to be provided and allocations per agency from various City departments. Departments reported that agencies have provided services at a satisfactory level and have complied with performance and fiscal requirements. The CAO will report under a separate cover with analysis and recommendations for contract execution.

18. Technical Adjustments and Reprogramming

We received various requests from departments requesting approval of various technical adjustments affecting current year activities. These actions would not impact Council and Mayor approval of the 33rd PY Con Plan. In the interest of time, the CAO will report under a separate cover with analysis and recommendations on these requests.

19. HOME/ADDI Funds

A. Resources

The entitlement amounts estimated for the HOME Investments Partnership (HOME) and American Dream Downpayment Initiative (ADDI) are based on the assumption that funding this year will be equal to last year. These grants totaled \$40.9 million in the 32nd PY. The HOME entitlement is estimated to be \$40,413,716 and the ADDI entitlement, \$525,947. See Attachment B for revenue and expenditure details.

The LAHD reports a total of \$3.7 million in savings from prior years, whereas last year no savings were projected. The \$13 million in Program Income reported in the Mayor's plan is a projection of 33rd PY Con Plan income. In the past, this figure has represented actual program income collected in the year preceding the proposed Program Year.

Thus, the total HOME/ADDI budget, the reported funding is increased by \$1.17 million or two percent.

B. Allocations

The Mayor's proposed 33rd PY Con Plan includes \$4.5 million in HOME funds for Home Ownership Assistance, which is a decrease of \$5.5 million from the 32nd Year. Decreased HOME funds for Single Family Rehabilitation in the 33rd PY Con Plan correspond to an increase in funds for this activity in the CDBG budget. The HOME budget also contains a

recommendation of \$1.32 million for rental assistance for the HOPWA program. Funding for this use is reduced by \$0.6 million, or 42 percent, for proposed funding of \$0.72 million.

In the course of preparing this report, requests were made for funds to support scattered-site rental assistance programs for the homeless in areas where it has been exceptionally difficult to site traditional shelters, such as Hollywood and West Los Angeles. Preliminary research indicates that this may be an eligible use of HOME funds. We recommend that the CLA and CAO be instructed to further investigate scattered site rental assistance as an eligible use of HOME funds and report to Council with recommendations.

20. HOPWA Funds

A. Resources

The City's estimated 33rd PY Con Plan HOPWA budget, including federal entitlement, totals \$11.5 million, an increase of \$0.2 million, 1.7 percent, from the 32nd PY. This estimate is based on the 32nd Year entitlement amount. Savings are 18.4 percent more than in the 32nd PY, at a total of \$1.2 million.

HOME funds for HOPWA rental assistance and development are also provided. Taking these funds into account, combined Consolidated Plan allocations for HOPWA Activities amount to \$14.5 million. See Attachment C for revenue and expenditure details.

B. Allocations

The City of Los Angeles administers L.A. County's HOPWA entitlement on behalf of City and County of Los Angeles. LAHD proposes that the HOPWA budget of \$11.5 million be used as follows: \$3.8 million for Rental Assistance, \$6.5 million for Supportive Services, \$1.1 million for Administration and \$120,000 for Technical Assistance. Funding for development is discontinued in this year's HOPWA budget from \$0.8 million last year. The HOME budget also includes Additional funding for HOPWA development (\$1.6 million) and rental assistance (\$1.4 million).

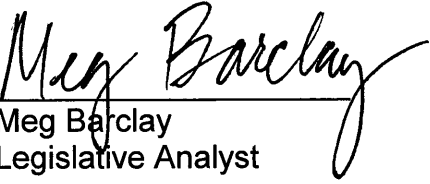
21. Emergency Shelter Grant (ESG) Funds


A. Resources

The City's 33rd PY Con Plan ESG entitlement is \$3.18 million, which is slightly greater than last year's amount (\$3.16 million). This program typically does not incur any program income or savings. See Attachment D for revenue and expenditure details.

B. Allocations

ESG is administered and implemented by the LAHSA with oversight by LAHD. LAHSA proposes that the ESG budget of \$3.2 million be used as follows: \$1.5 million for the Winter Shelter Program, \$493,942 for Homeless Shelter and Services, \$470,959 for operation of the Downtown Drop-In Center, \$157,951 for Administration, \$24,125 for the Emergency Response Team, \$142,000 for the Homeless Access Centers and \$130,000 for Job Training and Placement.


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GFM/KLS:MB/AHS:02070171c

33rd PY Consolidated Plan
Comparison of Proposed Resources

	32nd PY Budget	33rd PY Proposed	\$ Change	% Change
CDBG				
Entitlement Amount	\$73,835,482	\$73,835,482	\$0	
Federal Reallocation	618,009	618,009	0	
Program Income	24,270,861	38,911,927	14,641,066	
Program & Admin Savings	8,964,446	502,231	(8,462,215)	
Total CDBG Budget	\$107,688,798	\$113,867,649	\$6,178,851	5.7%
HOME				
Entitlement Amount	\$40,413,716	\$40,413,716	\$0	
American Dream Downpayment Initiative (ADDI)	525,947	525,947	0	
Program Income	16,000,000	13,500,000	(2,500,000)	
Program & Admin Savings	0	2,866,183	2,866,183	
Total HOME Budget	\$56,939,663	\$57,305,846	\$366,183	0.6%
ESG				
	3,159,024	\$3,184,418	\$25,394	
Total ESG Budget	\$3,159,024	\$3,184,418	\$25,394	0.08%
HOPWA				
Entitlement Amount	\$10,310,000	\$10,310,000	\$0	
Program & Admin Savings	1,044,162	1,235,740	191,578	
Total HOPWA Budget	\$11,354,162	\$11,545,740	\$191,578	1.7%
TOTAL RESOURCES	\$179,141,647	\$185,903,653	\$6,762,006	3.8%

**33rd Program Year Housing and Community Development Consolidated Plan –
Fifth Year Action Plan (2007-2008)
PROPOSED HOME and ADDI RESOURCES & EXPENDITURES**

HOME Investment Partnership Program and American Dream Downpayment Initiative (ADDI)
Summary of Revenue & Expenditures

	32nd Program Year Adopted Budget	33rd Program Year Proposed Budget	\$ Change	% Change
Revenues				
Entitlement Amount	\$40,413,716	\$40,413,716	\$0	0%
American Dream Downpayment Initiative (ADDI)	\$525,947	\$525,947	\$0	0%
Program Income	\$16,000,000	\$13,500,000	(\$2,500,000)	(16.00%)
Prior Year Savings	\$0	\$2,866,183	\$2,866,183	>100%
Total HOME Revenue	\$56,939,663	\$57,305,846	\$366,183	.64%
Expenditures				
Affordable Housing Trust Fund	\$4,500,000	\$22,435,659	\$17,935,659	398.57%
New Construction – Major Projects	\$26,535,369	\$17,406,139	(\$9,129,230)	(34.40%)
MF Rehab – Major Projects	\$3,972,189	\$4,000,000	\$27,811	.70%
SF Rehab – Comprehensive	\$5,630,796	\$0	(\$5,630,796)	(>100%)
Homeownership Assistance	\$5,527,269	\$4,590,270	(\$936,999)	(16.95%)
Homeownership Assistance - ADDI	\$525,947	\$525,947	\$0	0%
Section 108 Debt Services	\$2,615,297	\$0	(\$2,615,297)	(>100%)
HOPWA Development	\$0	\$1,593,723	\$1,593,723	>100%
HOPWA Rental Assistance	\$2,000,000	\$1,362,736	(\$637,264)	(32.00%)
General Program Administration	\$5,632,796	\$5,391,372	(\$241,424)	(4.00%)
Total HOME Expenditures	\$56,939,663	\$57,305,846	\$366,183	.64%

Revenues

The 33rd Program Year HOME budget is proposed for a total amount of \$57,305,846, which includes \$40,413,716 in HOME Entitlement funds and \$525,947 in American Dream Downpayment Initiative (ADDI) funds. Approximately \$13,500,000 in program income is projected.

Additionally, prior year program savings projected to be in the amount of \$2,866,183 will be carried over into the proposed HOME budget. These savings are due in great part to LAHD's continuing HOME clean-up where prior year accounts are reviewed to determine ongoing needs and adjustments that can be made.

Expenditures

The proposed 33rd PY budget includes HOME funds for Major Projects (both Multifamily Rehabilitation and New Construction) totaling \$21,406,139. The Affordable Housing Trust Fund (AHTF) will be allocated \$22,435,659 in HOME funding. In addition, for the first time,

**33rd Program Year (2007-08) Housing and Community Development
Consolidated Plan –Fifth Year Action Plan
PROPOSED HOME and ADDI RESOURCES & EXPENDITURES**

HOME Investment Partnership Program and American Dream Downpayment Initiative (ADDI)
Summary of Revenue & Expenditures

\$1,593,723 in HOME funds are being dedicated to the development of permanent housing for persons with HIV/AIDS, resulting in a total appropriation of \$45,435,521 in HOME funds for affordable housing development and rehabilitation.

The proposed budget also includes \$4,590,270 for Homeownership Assistance. The American Dream Downpayment Initiative (ADDI) entitlement is expected to be \$525,947. These funds can provide a down payment grant of either \$10,000 or 6% of the purchase price, whichever is larger. They will be added to the soft-second mortgages provided through the Homeownership Assistance program, to assist the buyers in Los Angeles' high cost market.

As in previous years, HOME funds will supplement HOPWA's Tenant-Based Rental Assistance program. For the 33rd Program Year, an allocation of \$1,362,736 is proposed.

Discussion

For Program Year 07/08, LAHD is proposing a number of changes, with one exception: the HOME allocation to Home Ownership is approximately the same, which will continue to be supplemented with ADDI funds.

For the first time, the HOME Program will provide the bulk of Consolidated Plan funding for the Affordable Housing Trust Fund. That budget allocation, combined with the line items for New Construction – Major Projects, Multifamily Rehab – Major Projects, and HOPWA Development, will result in \$45,435,521 available for new affordable housing development. This increase has been achieved by eliminating HOME funding for Single Family Rehab programs which can more strategically utilize CDBG funds, and for Section 108 Debt Service, which is similarly better funded through CDBG.

In addition, the HOME contribution to the HOPWA program has risen overall. In prior years it consisted of \$2 million to supplement the HOPWA-funded rental assistance program. In the 33rd Program Year, it will include \$956,459 in prior year savings from the Tenant-Based Rental Assistance program; thus allowing for reduced contribution for this purpose from the 33rd Program Year entitlement. Instead PY33 funds will be used the development of permanent housing dedicated to persons living with HIV/AIDS -- a key goal of the national HOPWA program.

**33rd Program Year Housing and Community Development Consolidated Plan –
Fifth Year Action Plan (2007-2008)
PROPOSED HOPWA RESOURCES & EXPENDITURES**

Housing Opportunities for Persons with AIDS Program (HOPWA)
Summary of Revenue & Expenditures

	32nd Program Year Adopted Budget	33rd Program Year Proposed Budget	\$ Change	% Change
<u>Revenues</u>				
Entitlement Amount	\$10,310,000	\$10,310,000	\$0	0%
Prior Year Savings	\$1,044,162	\$1,235,740	\$191,578	18.35%
Total HOPWA Revenue	\$11,354,162	\$11,545,740	\$191,578	1.69%
<u>Expenditures</u>				
Tenant Based Rental Assistance	\$4,802,763	\$3,872,449	(\$930,314)	(19.37%)
Supportive Services	\$4,403,513	\$6,465,840	\$2,062,327	46.83%
General Program Administration	\$1,215,096	\$1,087,451	(\$127,645)	(10.50%)
Technical Assistance	\$120,000	\$120,000	\$0	0%
Development	\$812,790	\$0	(\$812,790)	(>100%)
Total HOPWA Expenditures	\$11,354,162	\$11,545,740	\$191,578	1.69%

*Note: a total of \$2,956,459 of HOME funds are also allocated to HOPWA Development (\$1,593,723) and HOPWA Tenant Based Rental Assistance (\$1,362,736).

Revenues

The 33rd Program Year budget is proposed for a total amount of \$11,545,740, which includes an estimated \$10,310,000 in HOPWA Entitlement funds, and \$1,235,740 in program and administrative savings. There is a \$191,578 total overall increase in the proposed HOPWA budget.

The funds dedicated for HOPWA programs also include allocations from the HOME Program for Tenant Based Rental Assistance in the amount of \$1,362,736 and for HOPWA Development in the amount of \$1,593,723 (Please see the HOME Resources & Expenditures Schedule).

Expenditures

The Supportive Services component is recommended at a level of \$6,465,840, which represents an increase of \$2,062,327 over the previous year. Tenant Based Rental Assistance (TBRA) is recommended at a level of \$3,872,449, representing a 19% decrease over the previous year. However, \$1,362,736 in HOME funds are also

**33rd Program Year (2007-08) Housing and Community Development Consolidated
Plan – Fifth Year Action Plan (2007-2008)
PROPOSED HOPWA RESOURCES & EXPENDITURES**

**Housing Opportunities for Persons with AIDS Program (HOPWA)
Summary of Revenue & Expenditures**

allocated for TBRA. The Technical Assistance budget is recommended at a level of \$120,000, the same as the previous year. The HOPWA General Administration combined budget for the Project Sponsors and the Grantee is recommended at a level of \$1,087,451.

Discussion

A combined total of \$14,502,199 HOPWA and HOME grant funds are available for the HOPWA program budget.

This year, LAHD will issue a new Request for Proposals for the Supportive Services category, which will include the following program areas: (1) Centralized Countywide Housing Information Services Clearinghouse; (2) Housing Case Management; (3) Lease, Operating, and Supportive Services in Emergency Shelter and Transitional Housing; (4) Supportive Services in Permanent Housing; (5) Scattered Site Master Leasing; (6) Tuberculosis and Hepatitis B and C Risk Mitigation.

The balance of the HOPWA budget is allocated for: (1) Rental Assistance, both short and long term; (2) Technical Assistance and (3) Administration (Grantee and Project Sponsor costs). Historically, the City of Los Angeles Housing Authority (HACLA) has implemented the Tenant-based Rental Assistance Program. LAHD proposes to continue with this program delivery model.

LAHD recommends that the item for Development continue to be included in the HOPWA program matrix. The basis for the recommendation includes: 1) Findings from the HIV/AIDS Strategic Plan, which demonstrate a need to increase the supply of supportive housing for persons with HIV/AIDS; and 2) Under-subscribed requests for funding under Proposition 46 even though the California Department of Housing and Community Development (CDHCD) has placed supportive housing projects as a high priority. By having capital available for development, project sponsors have a greater opportunity to access and leverage HOPWA funds with other competitive resources, such as Proposition 46, or City of Industry funds. This year, however, we propose to use HOME funds for this purpose. As in the past, these development projects will be managed through the Affordable Housing Trust Fund.

33rd PY Housing and Community Development Consolidated Plan
Fifth Year Action Plan (2007-08)

EMERGENCY SHELTER GRANT (ESG) PROGRAM
Summary of Revenue & Expenditures

	2006-07	2007-08	\$ Change	% Change
	32 st Program Year	33 rd Program Year		
REVENUE				
ESG Entitlement	\$3,159,024	\$3,184,418	\$24,125	0.08%
Total Revenue	\$3,159,024	\$3,184,418	\$25,394	0.08%
EXPENDITURES				
Administration*	\$157,951	\$159,951	\$1,269	0.8%
Downtown Drop-In Center	\$470,959	\$470,959	\$0	0%
Emergency Response Team (ERT)	\$155,120	\$155,120	\$0	0%
Homeless Access Centers	\$142,000	\$142,000	\$0	0%
Homeless Shelter & Services	\$493,942	\$493,942	\$0	0%
Job Training & Placement	\$130,000	\$130,000	\$0	0%
Overnight Emergency Shelter	\$112,031	\$112,031	\$0	0%
Winter Shelter Program*	\$1,497,021	\$1,521,146	\$24,125	1.6%
Total Expenditures	\$3,159,024	\$3,184,418	\$25,394	0.08%

* Updated on March 1, 2007

REVENUE

The proposed budget provides \$3,184,418 in ESG funds for Program Year 2007-2008. This allocation provides a slight increase in funding from the City's current entitlement.

EXPENDITURES

In Program Year 2007-2008, \$159,951 (5 percent of the total ESG grant) will be used by the Los Angeles Homeless Services Authority (LAHSA) to fund administrative costs, including personnel and non-personnel expenses directly associated with administering the ESG grant. In addition to administrative costs, the grant will fund operating costs and essential services in the amount of \$3,024,467.

1. Administrative Costs - \$159,951

LAHSA provides oversight, management, monitoring and coordination for ESG activities. In addition, LAHSA evaluates program effectiveness, conducts strategic planning activities, and ensures geographic coverage of homeless services throughout the City. Administrative funds from the City ESG Grant are leveraged with approximately \$1,115,500 in City CDBG General Program Administration funds, approximately \$266,675 in City General funds, approximately \$1,283,091 in County General Funds and CalWorks funding.

2. Program Costs - \$3,024,467

2.1 Winter Shelter Program - \$1,521,146

The Winter Shelter Program is an annual program which increases the number of emergency shelter beds available throughout the County during the cold and wet months of the year (December 1-March 15). As the largest recipient of ESG funds, the program provides approximately 2,000 additional beds, meals, referrals to services, and case

33rd PY Housing and Community Development Consolidated Plan
Fifth Year Action Plan (2007-08)

management services. Additionally, the program provides vouchers for persons and families who are not appropriate for mass shelter environments. Non-profit agencies must apply for funding through a competitive RFP process. City ESG funds for this program are leveraged by ESG funds from the County of Los Angeles and by funding from the Local Board of the Emergency Food and Shelter Program (EFSP-FEMA).

2.2 Homeless Access Centers - \$142,000

Three Homeless Access Centers, geographically dispersed throughout the City, provides services to those who are homeless and at risk of becoming homeless. Services include needs assessment, referrals to emergency, transitional and permanent housing, food, clothing, referrals for benefits and health care, case management, transportation, referrals to substance abuse programs, toilets, and additional social, educational and mental health and psychological services.

2.3 Homeless Shelter and Services - \$493,942

Selected through a competitive RFP process, non-profit emergency shelter providers provide homeless clients with emergency shelter and intensive case management services for up to three months. Since this is a countywide program, City ESG funds are leveraged with County ESG funds, which fund emergency shelter sites in the County.

2.4 Downtown Drop-In-Center - \$470,959

Located in the Skid Row area of downtown Los Angeles, the center provides respite services for homeless men and women. The program includes 30 respite beds (24 for men and 6 for women), toilets, showers, laundry facilities, referrals to housing providers (emergency, transitional, and permanent), referrals to drug and alcohol abuse treatment programs, transportation to services, job and employment training program referrals, and benefits advocacy. ESG funds are leveraged by \$500,000 in City General Purpose Funds and by funding from the Veteran's Administration. Funding also covers personnel costs for staff providing case management, referral services, evaluation, and assessment.

2.5 Emergency Response Team (ERT) - \$155,120

The ERT is a mobile crisis intervention service with team members who visit encampments and other locations where homeless people reside. They engage homeless people and offer them shelter and services within the homeless services system. The ERT responds to referrals from elected officials, businesses, Business Improvement District offices, citizens and government offices to address and prevent crisis involving homeless people living within the City. Los Angeles County also funds the ERT through the ESGP grant and the Cal Works program.

2.6 Job Training & Placement Program - \$130,000

LAHSA grants funds to provide homeless job training and placement in downtown Los Angeles. In addition to training, participants are given job search skills including practice interviews, referrals and case management services as well as appropriate clothing for interviews, and bus tokens for transportation to interviews and job sites.

2.7 Overnight Emergency Shelter Program - \$112,031

The Overnight Emergency Shelter Program provides, on a year around basis, the same services as provided in the Winter Shelter program. Agencies are selected to provide emergency shelter services to the homeless through a competitive RFP process. During PY 2006-2007, approximately 825 beds at 10 sites were funded through the City General Fund.

33rd Program Year Consolidated Plan Community Development Block Grant - Cap Calculations

FINAL

33rd YEAR SOURCES

	31st YEAR PROJECTION FOR PROGRAM INCOME APRIL 2005 TO MARCH 2006	32nd YEAR PROJECTION FOR PROGRAM INCOME APRIL 2006 TO MARCH 2007	33RD YEAR PROJECTION FOR PROGRAM INCOME APRIL 2007 TO MARCH 2008
	PROJECTED	ORIGINAL PROJECTION (3rd YEAR CON PLAN)	REVISED PROJECTION
PRIOR YEAR SURPLUS (DEFICIT)	(2,182,792)	2,809,404	7,066,637
LAHD MONITORED LOANS	7,878,799	7,299,233	8,025,900
EARTHQUAKE SUPP A	1,587,332	2,288,975	5,743,668
EARTHQUAKE SUPP BILAHD SECTION 108/RENTAL REHAB	10,894,633	8,033,249	11,613,280
CRA	2,977,854	3,304,973	1,500,000
EDD LOANS	400,000	583,744	950,000
NEIGHBORHOOD FACILITIES	400,000	340,000	90,000
MISC. PROGRAM INCOME	200,000	200,000	200,000
Applicable Credits			
	<u>22,255,826</u>	<u>24,270,861</u>	<u>38,911,927</u>
LESS: AMOUNT USED CONSOLIDATED PLAN	26,513,060	35,189,485	
Less: 31st YEAR FEDERAL REALLOCATION DOUBLE COUNTED	(18,793,272)	(24,270,861)	
	<u>7,066,637</u>	<u>10,918,624</u>	<u>113,867,649</u>
CARRYFORWARD SURPLUS (DEFICIT)			
PROGRAM INCOME AVAILABLE FOR 33rd YEAR			38,911,927
ADD PROJECTED ENTITLEMENT AMOUNT			74,453,491
SAVINGS			502,231
AVAILABLE FOR 33rd YEAR			113,867,649

33rd YEAR CAP COMPUTATION

	33rd YEAR PROJECTION FOR PROGRAM INCOME APRIL 2006 TO MARCH 2007	33 YEAR PROJECTION FOR PROGRAM INCOME APRIL 2007 TO MARCH 2008
LAHD MONITORED LOANS	8,025,900	7,822,656
EARTHQUAKE SUPP A	5,743,668	6,018,038
EARTHQUAKE SUPP BILAHD SECTION 108/RENTAL REHAB	11,613,280	11,902,609
CRA	1,500,000	1,500,000
EDD LOANS	950,000	450,000
NEIGHBORHOOD FACILITIES	90,000	100,000
MISC PROGRAM INCOME	200,000	200,000
FLOAT LOAN-ST VIBIANA	3,000,000	
SECTION 108 LAHD	500,000	500,000
SECTION 108 CDD	3,400,000	
SECTION 108 LACDB		
TOTAL PROJECTED PROGRAM INCOME RECEIPTS	<u>35,022,848</u>	<u>28,493,303</u>
ADD PROJECTED ENTITLEMENT AMOUNT	74,453,491	74,453,491
	<u>109,476,339</u>	<u>102,946,794</u>
MULTIPLY BY CAP RATE	15.00%	20.00%
TOTAL PUBLIC SERVICE CAP AVAILABLE	16,421,451	20,589,359
TOTAL ADMINISTRATIVE CAP AVAILABLE		

33rd PY Consolidated Plan
CDBG Resources and Expenditures

No.	REVENUES/RESOURCES	Council District	(A) 2004-05 Adopted Budget	(B) 2005-06 Adopted Budget	(C) 2006-07 Adopted Budget	(D) Mayor's 2007-2008 Proposed Budget	(E) CAO/CLA Recommended Current/CBO Interpretation	(F) CAO/CLA One Year Change (E)-(C)	(G) CAO/CLA One Year % Change F / C	(H) Expanded CBO Interpretation	(I) One Year Change Expanded (H)-(C)	(J) One Year % Change Expanded I / C
1	Entitlement		86,759,000	82,783,415	73,835,482	73,835,482	73,835,482	-	0.0%		-	0.0%
2	Federal Reallocation		665,859	653,151	618,009	618,009	618,009	-	0.0%		-	0.0%
3	Program Income		35,313,284	18,793,272	24,270,861	38,911,928	38,911,928	14,641,066	60.3%		14,641,066	60.3%
4	Program and Administrative Savings		2,988,591	6,237,681	8,964,446	502,231	502,231	(8,462,215)	-94.4%		(8,462,215)	-94.4%
	TOTAL RESOURCES		\$ 125,726,734	\$ 108,467,519	\$ 107,688,798	\$ 113,867,649	\$ 113,867,650	\$ 6,178,851	5.7%		\$ 6,178,851	5.7%
PUBLIC SERVICES												
5	Abandoned Bulky Item Pick-up	9	-	250,000	45,000	50,000	50,000	5,000	11.1%	50,000	5,000	11.1%
6	Aging Services Delivery System	Citywide	730,326	677,428	476,232	143,486	462,302	(13,930)	-2.9%	462,302	(13,930)	-2.9%
7	AIDS Prevention	Citywide	969,750	950,355	885,355	885,355	885,355	0	0.0%	885,355	0	0.0%
8	Cash for College (Formerly LA Youth at Work)	Citywide	-	96,000	68,894	70,285	70,285	1,391	2.0%	70,285	1,391	2.0%
9	Central City Neighborhood Partners (CCNP)	1	-	-	200,000	100,000	100,000	(100,000)	-50.0%	100,000	(100,000)	-50.0%
10	Community Literacy Program - Project Tech	10	-	-	100,000	100,000	100,000	0	0.0%	100,000	0	0.0%
	Crenshaw HS Peer Mediation Program	8	-	-	12,500	-	-	(12,500)	-100.0%	-	(12,500)	-100.0%
11	Department on Disability - Computerized Information Center	Citywide	-	-	142,175	142,175	142,175	0	0.0%	142,175	0	0.0%
12	Domestic Violence Shelter Operations	3, 5, 7, 8, 10, 13, 14, 15	727,142	727,142	659,341	2,954,675	2,954,675	2,295,334	348.1%	2,954,675	2,295,334	348.1%
13	Fresh Food Access Program	Citywide	-	-	190,600	142,950	142,950	(47,650)	-25.0%	142,950	(47,650)	-25.0%
14	Gang Membership, Vandalism, and Illegal Nuisance Dumping Reduction	15	-	-	245,000	232,750	232,750	(12,250)	-5.0%	232,750	(12,250)	-5.0%
15	Housing Authority - Community Service Centers	7, 11, 14, 15	700,000	686,000	482,258	482,258	482,258	0	0.0%	482,258	0	0.0%
16	Human Services Delivery System	Citywide	1,880,213	1,880,213	1,321,790	476,338	1,321,790	0	0.0%	1,321,790	0	0.0%
	Individual Development Account Los Angeles Program	Citywide	-	-	95,000	-	-	(95,000)	-100.0%	-	(95,000)	-100.0%
	Jenesse Center	10	10,000	-	50,000	-	-	(50,000)	-100.0%	-	(50,000)	-100.0%
17	LA's BEST	Citywide	3,000,000	-	2,812,000	703,000	703,000	(2,109,000)	-75.0%	703,000	(2,109,000)	-75.0%
18	LA Bridges II Gang Intervention Program	Citywide	782,850	971,257	682,794	341,397	899,766	216,972	31.8%	899,766	216,972	31.8%
19	LAHSA - Beyond Shelter	9, 14	-	-	-	133,051	133,051	133,051	N/A	133,051	133,051	N/A
20	LAHSA - Central City East Public Sanitation Project	9, 14	312,000	312,000	-	312,000	312,000	312,000	N/A	312,000	312,000	N/A
21	LAHSA - Homeless Emergency Shelter & Services	Citywide	1,990,744	1,990,744	1,008,492	1,990,744	1,990,744	982,252	97.4%	1,990,744	982,252	97.4%
22	LAHSA - Rent to Prevent Eviction (Beyond Shelter)	Citywide	150,000	150,000	138,750	150,000	150,000	11,250	8.1%	150,000	11,250	8.1%
23	LAHSA - Special Economic Development Opportunities	9, 14	-	-	-	2,000,000	-	0	N/A	-	0	N/A
	LAHSA - Winter Shelter Program Expansion	Citywide	80,000	80,000	-	-	-	0	N/A	-	0	N/A
24	LAHSA - Year-Round Emergency Shelter - Downtown	9	500,000	500,000	462,500	500,000	500,000	37,500	8.1%	500,000	37,500	8.1%
25	LAHSA - Year-Round Emergency Shelter - Hollywood	13	400,000	400,000	277,456	400,000	400,000	122,504	44.1%	400,000	122,504	44.1%
	LAHSA - Year-Round Emergency Shelter - SF Valley	2	-	200,000	-	-	-	0	N/A	-	0	N/A

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	Council District	Adopted Budget			Mayor's 2007-2008 Proposed Budget	(E) CAO/CLIA Recommended Current CBDO Interpretation	(F) CAO/CLIA One Year Change (E)-(C)		(G) CAO/CLIA One Year % Change (F)/(C)	(H) Expanded CBDO Interpretation	(I) One Year Change Expanded (H)-(C)		(J) One Year % Change Expanded (I)/(C)
		(A) 2004-05	(B) 2005-06	(C) 2006-07			(E)-(C)	(F)/(C)			(H)-(C)	(I)/(C)	
Los Angeles Prosperity Campaign	Citywide	-	-	100,000	-	-	(100,000)	-100.0%	-	(100,000)	-100.0%	-	
Office of Community Beautification (formerly Operation Clean Sweep)	Citywide	702,330	688,283	483,863	-	100,000	(483,863)	-100.0%	-	(483,863)	-100.0%	-	
People in Progress	6	-	-	150,000	-	50,000	(150,000)	-100.0%	-	(150,000)	-100.0%	-	
Piazza de la Reza	14	-	-	-	-	50,000	50,000	NEW	-	50,000	NEW	-	
Rita Walters Learning Complex (prev So Central YO Center)	8	-	-	-	-	-	0	N/A	-	0	N/A	-	
SEE-LA Farm to Table Program - CD 8	8	25,000	-	-	-	100,000	(4,234)	-4.1%	-	(4,234)	-4.1%	-	
Success Now: Paso Unido - Mentoring Our Youth in Pico Union	1	-	-	104,234	-	100,000	(4,234)	-4.1%	-	(4,234)	-4.1%	-	
Valley Chrysalis	7	-	-	-	-	50,000	50,000	N/A	-	50,000	N/A	-	
Valley Family Technology Project	7	-	-	101,935	-	100,000	(1,935)	-1.9%	-	(1,935)	-1.9%	-	
Van Nuys Community Court	6	-	-	50,000	-	50,000	0	0.0%	-	0	0.0%	-	
Venice Community Housing Corporation/Another Chance Program	11	-	-	-	-	50,000	50,000	N/A	-	50,000	N/A	-	
Workplace Literacy for Economic Opportunity	Citywide	-	150,000	-	-	-	0	N/A	-	0	N/A	-	
Youth and Family Centers	7,9,10,11,13,14,1	2,340,000	2,572,082	1,808,180	-	1,963,111	154,931	8.6%	-	154,931	8.6%	-	
Youth Media Technology Training Program	8	-	-	-	-	-	0	N/A	-	0	N/A	-	
Youth Opportunities Movement - SPV, Boyle Hits & Watts	2,5,7,12,14,15	-	1,000,000	703,000	-	667,850	(35,150)	-5.0%	-	(35,150)	-5.0%	-	
Youth Recreation and Nutrition Program	Citywide	2,026,810	1,986,274	1,546,351	-	1,357,189	(189,162)	-12.2%	-	(189,162)	-12.2%	-	
Subtotal - Public Services		\$ 17,534,165	\$ 16,294,788	\$ 15,403,740		\$ 16,421,251	\$ 1,017,511	6.6%		\$ 1,017,511	6.6%		
CAP for PUBLIC SERVICES						\$ 16,421,451							
SPECIAL ACTIVITIES BY CBDOs													
35 Aging Services Delivery System	Citywide	1,402,960	1,413,192	1,370,796	-	1,703,542	(666,730)	-50.1%	-	1,384,726	13,930	1.0%	
Anti-Graffiti Vining Project	13	-	50,000	-	-	-	0	N/A	-	-	0	N/A	
Camera in Parks Project	13	-	200,000	-	-	-	0	N/A	-	-	0	N/A	
Caanan Workforce Development Program	9	-	-	-	-	100,000	0	NEW	-	0	0	NEW	
Central City Neighborhood Partners	1	575,000	563,500	300,000	-	250,000	(50,000)	-16.7%	-	250,000	(50,000)	-16.7%	
Clean and Green	Citywide	982,585	962,933	934,045	-	934,045	(934,045)	-100.0%	-	(934,045)	(934,045)	-100.0%	
Clean and Green - CD 1 Clean-up	1	150,093	90,680	-	-	-	0	N/A	-	0	0	N/A	
Clean and Green - CD 10	10	-	-	100,000	-	-	(100,000)	-100.0%	-	(100,000)	(100,000)	-100.0%	
Community Resources for Technology & Computer Learning (CRTCL)	15	-	-	99,668	-	99,668	(99,668)	-100.0%	-	99,668	0	0.0%	
Day Laborer	1,3,6,7,8,9,10,15	1,399,117	1,371,135	1,206,472	-	297,608	(908,864)	-75.3%	-	1,206,472	0	0.0%	
Domestic Violence Shelter Operations	3,5,7,8,13,14,15	2,346,579	2,346,579	2,295,334	-	-	(2,295,334)	-100.0%	-	(2,346,579)	(2,346,579)	-102.2%	
Fuego Tech Fire Rangers	14	-	-	99,435	-	-	(99,435)	-100.0%	-	(99,435)	(99,435)	-100.0%	
Gang Alternatives Program (GAP)	15	325,000	325,000	-	-	-	0	N/A	-	0	0	N/A	

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	Council District	2004-05 Adopted Budget (A)	2005-06 Adopted Budget (B)	2006-07 Adopted Budget (C)	Mayor's 2007-2008 Proposed Budget (D)	CAO/CLA Recommended Current CBDO Interpretation (E)		CAO/CLA One Year Change (E)-(C)		CAO/CLA One Year % Change (F) / (C)	Expanded CBDO Interpretation (M)	One Year Change Expanded (H)-(C)		One Year % Change Expanded (I) / (C)
						400,000	400,000	0	0.0%			0	0.0%	
42	Gang Prevention and Intervention Program - CD 10			400,000	200,000	400,000				0.0%	400,000	0	0.0%	
43	Good Beginnings		95,000	92,150	92,150	92,150		(92,150)	-100.0%	(92,150)	(92,150)	(92,150)	-100.0%	
44	Human Services Delivery System		9,579,486	9,292,101	9,292,101	4,646,051	2,323,026	(6,969,075)	-75.0%	(4,646,051)	(4,646,051)	(4,646,051)	-50.0%	
45	Human Services Delivery System RESERVE		-	-	-	3,195,434		0	NEW	0	0	0	NEW	
46	Individual Development Account Los Angeles Program			175,000	262,000	262,000		(175,000)	-100.0%	(175,000)	(175,000)	(175,000)	-100.0%	
	Jeffrey Foundation		10,000	-	-			0	N/A	0	0	0	N/A	
47	LA Bridges II Gang Intervention Program		298,243	289,296	289,296	144,648	72,324	(216,972)	-75.0%	(216,972)	(216,972)	(216,972)	-75.0%	
	LAHSA - Beyond Shelter Assistance for Homeless Families		133,051	133,051	133,051			(133,051)	-100.0%	(133,051)	(133,051)	(133,051)	-100.0%	
48	LAHSA - Special Economic Development Opportunities		4,333,000	4,333,000	4,333,000	2,333,000	4,333,000	0	0.0%	0	0	0	0.0%	
49	LAHSA - Workforce Center / Job Training and Placement		-	-	-	500,000	500,000	500,000	NEW	500,000	500,000	500,000	NEW	
	LA's BEST		4,000,000	-	-			0	N/A	0	0	0	N/A	
	Northridge Athletic Club Project		20,000	-	-			0	N/A	0	0	0	N/A	
50	Office of Community Beautification (formerly Operation Clean Sweep)		441,300	432,474	419,500	906,363	906,363	486,863	116.1%	486,863	486,863	486,863	116.1%	
51	Playa Vista JOBS L.A.		113,556	100,000	200,000	250,000	250,000	(200,000)	-100.0%	(200,000)	250,000	50,000	25.0%	
52	Rita Walters Learning Complex		1,020,000	999,600	999,612	999,612	999,612	0	0.0%	0	999,612	0	0.0%	
	SEE-LA Farm to Table Program - CD 8		41,914	25,000	-			0	N/A	0	0	0	N/A	
	Valley Chrysalis		-	45,000	45,000			(45,000)	-100.0%	(45,000)		(45,000)	-100.0%	
	Valley Family Technology Project		-	145,000	-			0	N/A	0		0	N/A	
	Van Nuys Community Court		-	50,000	-			0	N/A	0		0	N/A	
	Venice Community Housing Corporation/Another Chance Program			50,000	50,000			(50,000)	-100.0%	(50,000)		(50,000)	-100.0%	
53	Youth Media Technology Training Program		45,000	45,000	45,000	50,000	50,000	5,000	11.1%	5,000	50,000	5,000	11.1%	
	Youth Opportunities Movement - SF Vly, Boyle Hts & Watts		600,000	200,000	-			0	N/A	0		0	N/A	
54	CBDO RESERVE					4,282,217	4,282,217	4,282,217	NEW	4,282,217		4,282,217	NEW	
55	CBDO Unallocated					4,623,347	4,623,347	4,623,347	NEW	4,623,347		4,623,347	NEW	
	Subtotal - Special Activities by CBDOs		\$ 24,619,116	\$ 27,833,873	\$ 22,849,460	\$ 17,882,702	\$ 19,691,563	\$ (3,157,898)	-13.8%	\$ (3,157,898)	\$ 19,691,563	\$ (3,157,898)	-13.8%	
ECONOMIC DEVELOPMENT														
55	Block Grant Investment Fund		4,880,072	3,900,000	3,900,000	5,000,000	5,000,000	1,691,139	43.4%	1,691,139	5,000,000	2,998,566	76.9%	

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	Council District	Adopted Budget			Mayor's 2007-2008 Proposed Budget	(E) CAO/CLA Recommended Current CDBG Interpretation	(F) CAO/CLA One Year Change (E)-(C)		(G) CAO/CLA One Year % Change [(F)/(C)]	(H) Expanded CDBG Interpretation	(I) One Year Change Expanded (H)-(C)		(J) One Year % Change Expanded [(I)/(C)]
		(A) 2004-05 Adopted Budget	(B) 2005-06 Adopted Budget	(C) 2006-07 Adopted Budget			(E)-(C)	(H)-(C)			(I)-(C)		
Block Grant Investment Fund Reimbursement (SEARS)				2,000,000			(2,000,000)	-100.0%		(2,000,000)	-100.0%		
56 Brownfields Development Opportunities	Citywide	1,000,000	500,000	800,000	1,000,000	1,000,000	200,000	25.0%	700,000	200,000	25.0%		
57 Commercial & Industrial Development Initiative	Citywide	-	-	-	3,500,000		0	NEW		0	NEW		
58 Economic Development Program Delivery	Citywide	-	2,032,613	1,920,627	1,920,627	1,920,627	0	0.0%	1,920,627	0	0.0%		
Fresh Food Access Program	Citywide	-	200,000	-			0	N/A		0	N/A		
ICON	7			100,000			(100,000)	-100.0%		(100,000)	-100.0%		
59 LABAP Growth Industry Business Assistance Centers	Citywide	291,000	285,180	285,180	285,180	285,180	0	0.0%	285,180	0	0.0%		
60 LABAP Micro-Enterprise/Entrepreneur Assistance Centers	Citywide	1,455,000	1,425,900	1,425,900	1,425,900	1,425,900	0	0.0%	1,425,900	0	0.0%		
61 LABAP Retail Business Assistance Centers	Citywide	516,040	300,000	300,000	300,000	300,000	0	0.0%	300,000	0	0.0%		
Pacoima Community Development Federal Credit Union	7	-	100,000	-			0	N/A		0	N/A		
Pacoima Towne Center Revitalization Project	7	-	-	-	200,000	200,000	200,000	NEW		200,000	NEW		
Section 108 (CDD Staff)	Citywide	-	600,000	-			0	N/A		0	N/A		
Pacoima Business Outreach Program						300,000	300,000	NEW		300,000	NEW		
Subtotal - Economic Development		\$ 10,772,444	\$ 5,443,693	\$ 10,751,707	\$ 13,631,707	\$ 11,022,346	\$ 291,139	2.7%	\$ 11,022,346	\$ 1,598,566	14.9%		

HOUSING AND RELATED PROGRAMS

64 Affordable Housing Trust Fund	Citywide	6,000,000	1,650,000	2,456,418	5,439,475	5,439,475	2,983,057	121.4%		2,983,057	121.4%	
65 Single Family Rehabilitation - Home Secure	Citywide	581,911	581,911	581,911	582,000	582,000	89	0.0%	582,000	89	0.0%	
66 Single Family Rehabilitation - Handyworker	Citywide	2,000,000	3,700,000	3,700,000	3,700,000	3,700,000	0	0.0%	3,700,000	0	0.0%	
67 Homeownership Assistance	Citywide	-	1,005,464	1,451,535	3,800,000	3,800,000	2,348,465	161.8%	3,800,000	2,348,465	161.8%	
Multifamily Rehabilitation 2-4 units	Citywide	-	1,900,000	1,900,000			(1,900,000)	-100.0%		(1,900,000)	-100.0%	
Multifamily Rehabilitation Major Projects	Citywide	-	2,997,265	2,000,000			(2,000,000)	-100.0%		(2,000,000)	-100.0%	
68 Multifamily Rehabilitation Small Properties	Citywide	-	3,227,015	3,187,313	750,000	750,000	(2,437,313)	-76.5%	750,000	(2,437,313)	-76.5%	
New Construction - Major Projects	Citywide	-	6,732,570	7,060,876			(7,060,876)	-100.0%		(7,060,876)	-100.0%	
69 Nuisance Abatement/CNAP & PPRT/FALCON	Citywide	983,400	963,732	905,908	905,908	905,908	0	0.0%	905,908	0	0.0%	
70 Section 108 Debt Service	Citywide	2,100,143	2,131,301	2,129,788	5,123,019	5,123,019	2,993,231	140.5%	5,123,019	2,993,231	140.5%	
Single Family Rehabilitation - Basic & Comprehensive	Citywide	-	3,213,198	2,826,663			(2,826,663)	-100.0%		(2,826,663)	-100.0%	
71 Single Family Rehab - 1-4 Units	Citywide	-	-	-	8,100,000	8,100,000	8,100,000	NEW		8,100,000	NEW	
Urgent Repair Program	Citywide	400,000	300,000	500,000	300,000	300,000	(200,000)	-40.0%	300,000	(200,000)	-40.0%	
Subtotal - Housing & Related Programs		\$ 28,990,570	\$ 28,402,456	\$ 28,700,402	\$ 28,700,402	\$ 28,700,402	\$ -	0.0%	\$ 28,700,402	\$ -	0.0%	

NEIGHBORHOOD IMPROVEMENTS

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	Council District	(A) 2004-05 Adopted Budget		(B) 2005-06 Adopted Budget		(C) 2006-07 Adopted Budget		(D) Mayor's 2007-2008 Proposed Budget	(E) CAO/CLA Recommended Current CBDO Interpretation	(F) CAO/CLA One Year Change (E)-(C)	(G) CAO/CLA One Year % Change [(F)/(C)]	(H) Expanded CBDO Interpretation	(I) One Year Change Expanded (H)-(C)	(J) One Year % Change Expanded [(I)/(C)]
		2004-05 Adopted Budget	2005-06 Adopted Budget	2006-07 Adopted Budget	2006-07 Adopted Budget	2006-07 Adopted Budget								
	14	-	100,000	-	-	-	-	-	-	0	N/A	-	0	N/A
73	Citywide	-	-	-	-	-	-	500,000	500,000	500,000	NEW	500,000	500,000	NEW
74	Citywide	2,491,561	2,112,918	2,049,530	2,246,860	2,049,530	2,246,860	2,246,860	2,246,860	197,330	9.6%	2,246,860	197,330	9.6%
75	Citywide	182,840	711,483	690,139	690,139	690,139	690,139	690,139	690,139	0	0.0%	690,139	0	0.0%
	1	300,000	250,000	250,000	-	-	-	-	-	(250,000)	-100.0%	-	(250,000)	-100.0%
76	2	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	NEW	200,000	200,000	NEW
77	1	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	NEW	1,000,000	1,000,000	NEW
78	2	79,000	-	310,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	690,000	222.6%	1,000,000	690,000	222.6%
	15	-	40,000	-	-	-	-	-	-	0	N/A	-	0	N/A
	13	-	65,000	-	-	-	-	-	-	0	N/A	-	0	N/A
79	Citywide	100,000	98,000	95,060	10,000	10,000	10,000	10,000	10,000	(85,060)	-89.5%	10,000	(85,060)	-89.5%
	Citywide	3,698,496	282,336	2,087,211	2,087,211	2,087,211	2,087,211	2,087,211	2,087,211	(2,087,211)	-100.0%	-	(2,087,211)	-100.0%
80	7	-	-	-	900,000	900,000	900,000	900,000	900,000	(300,000)	NEW	900,000	(300,000)	NEW
81	13	-	-	-	300,000	300,000	300,000	300,000	300,000	300,000	NEW	300,000	300,000	NEW
82	Citywide	1,891,500	1,853,670	1,798,060	1,708,157	1,798,060	1,708,157	1,708,157	1,708,157	(89,903)	-5.0%	1,708,157	(89,903)	-5.0%
83	14	-	-	-	-	-	-	200,000	200,000	200,000	NEW	200,000	200,000	NEW
84	10	-	-	-	-	-	-	500,000	500,000	500,000	NEW	500,000	500,000	NEW
		\$ 10,674,282	\$ 5,713,407	\$ 7,280,000	\$ 6,455,156	\$ 7,280,000	\$ 6,455,156	\$ 6,455,156	\$ 6,455,156	\$ 1,575,156	21.6%	\$ 6,455,156	\$ 1,575,156	21.6%
PUBLIC FACILITIES/IMPROVEMENTS														
85	15	-	-	-	500,000	500,000	500,000	500,000	500,000	500,000	NEW	500,000	500,000	NEW
86	1	-	-	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	NEW	1,500,000	1,500,000	NEW
	8	-	-	50,000	-	-	-	-	-	(50,000)	-100.0%	-	(50,000)	-100.0%
	12	-	50,000	-	-	-	-	-	-	0	N/A	-	0	N/A
87	13	-	-	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	NEW	1,500,000	1,500,000	NEW
	14	-	-	445,000	-	-	-	-	-	(445,000)	-100.0%	-	(445,000)	-100.0%
88	9	-	100,000	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	NEW	1,000,000	1,000,000	NEW
	8	-	130,000	-	-	-	-	-	-	0	N/A	-	0	N/A
	14	210,000	-	-	-	-	-	-	-	(462,000)	-100.0%	-	(462,000)	-100.0%
89	10	-	-	-	300,000	300,000	300,000	300,000	300,000	300,000	NEW	300,000	300,000	NEW
	12	-	50,000	-	-	-	-	-	-	0	N/A	-	0	N/A
	4	-	50,000	-	-	-	-	-	-	0	N/A	-	0	N/A

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	Council District	(A) 2004-05 Adopted Budget			(B) 2005-06 Adopted Budget			(C) 2006-07 Adopted Budget			(D) Mayor's 2007-2008 Proposed Budget	(E) CAO/CLA Recommended Current CDBG Interpretation	(F) CAO/CLA One Year Change (E)-(C)	(G) CAO/CLA One Year % Change (F)/(C)	(H) Expanded CDBG Interpretation	(I) One Year Change Expanded (H)-(C)	(J) One Year % Change Expanded (I)/(C)
		Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget							
90	Citywide	3,747,178	2,806,857	2,270,000	1,913,049	1,913,049	1,913,049	1,913,049	1,913,049	1,913,049	1,913,049	(356,951)	-15.7%	1,913,049	(356,951)	-15.7%	
91	Neighborhood Facility Repair	-	150,000	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	NEW	1,000,000	1,000,000	NEW	
92	PALS Youth Project	-	-	-	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	NEW	300,000	300,000	NEW	
	Playa Vista Jobs	-	-	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
	Project Safe Sleep	33,223	-	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
93	Reseda MPC (formerly One Generation)	-	98,563	-	174,023	174,023	174,023	174,023	174,023	174,023	174,023	174,023	NEW	174,023	174,023	NEW	
	Watts Recreational Youth Center	-	-	300,000	-	-	-	-	-	-	-	(300,000)	-100.0%	-	(300,000)	-100.0%	
94	MacArthur Park Bandshell	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	NEW	200,000	200,000	NEW	
95	Sun Valley Recreation Center-Fields	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	NEW	200,000	200,000	NEW	
	Subtotal - Public Facilities	\$ 7,145,088	\$ 3,435,410	\$ 3,527,000	\$ 8,187,072	\$ 8,187,072	\$ 8,187,072	\$ 8,187,072	\$ 8,187,072	\$ 8,187,072	\$ 8,187,072	\$ 5,060,072	143.5%	\$ 8,187,072	\$ 5,060,072	143.5%	
ADMINISTRATION/PLANNING																	
96	Aging Department	460,339	451,132	403,763	412,848	412,848	412,848	412,848	412,848	412,848	412,848	9,085	2.3%	412,848	9,085	2.3%	
97	AIDS Policy Development	869,181	851,797	762,358	779,511	779,511	779,511	779,511	779,511	779,511	779,511	17,153	2.2%	779,511	17,153	2.2%	
98	Board of Public Works - OCS	406,469	398,340	356,514	364,536	364,536	364,536	364,536	364,536	364,536	364,536	8,022	2.3%	364,536	8,022	2.3%	
	Bureau of Engineering R/P Liaison	-	-	100,000	-	-	-	-	-	-	-	(100,000)	-100.0%	-	(100,000)	-100.0%	
	Business Improvement District Establishment	15,000	100,000	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
	Business Assistance Virtual Network (Mayor)	200,000	100,000	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
99	Citizens' Unit for Participation	48,500	47,530	42,539	42,539	42,539	42,539	42,539	42,539	42,539	42,539	0	0.0%	42,539	0	0.0%	
100	City Attorney CDBG Program Administration for CDD	165,119	161,817	144,826	148,065	148,065	148,065	148,065	148,065	148,065	148,065	3,259	2.3%	148,065	3,259	2.3%	
101	City Attorney CDBG Program Administration for LAHD	124,210	121,726	108,945	111,396	111,396	111,396	111,396	111,396	111,396	111,396	2,451	2.2%	111,396	2,451	2.2%	
102	Community Development Department	14,564,530	12,661,291	11,568,410	11,829,722	11,829,722	11,829,722	11,829,722	11,829,722	11,829,722	11,829,722	260,312	2.3%	11,829,722	260,312	2.3%	
103	Community Development Department - Capacity Building	-	-	-	128,000	128,000	128,000	128,000	128,000	128,000	128,000	128,000	NEW	128,000	128,000	NEW	
104	Community Development Department - Related Costs	-	-	-	327,766	327,766	327,766	327,766	327,766	327,766	327,766	327,766	NEW	327,766	327,766	NEW	
105	Consolidated Plan Application System	135,000	100,000	89,500	89,500	89,500	89,500	89,500	89,500	89,500	89,500	0	0.0%	89,500	0	0.0%	
106	Program Evaluation	-	-	-	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	NEW	350,000	350,000	NEW	
107	Controller	89,615	87,823	78,602	80,371	80,371	80,371	80,371	80,371	80,371	80,371	1,769	2.3%	80,371	1,769	2.3%	
	Department on Disability	208,408	204,240	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
108	eCivis Grant Locator Database Services	-	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	NEW	15,000	15,000	NEW	
109	Fair Housing	485,000	485,000	485,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	15,000	3.1%	500,000	15,000	3.1%	
110	Housing Authority of the City of Los Angeles (HACLA)	169,750	166,355	148,888	148,888	148,888	148,888	148,888	148,888	148,888	148,888	0	0.0%	148,888	0	0.0%	
	Los Angeles Conservation Corps Economic Development Initiative	-	97,000	-	-	-	-	-	-	-	-	0	N/A	-	0	N/A	
111	Los Angeles Homeless Services Authority	1,115,500	1,115,500	998,373	1,115,500	1,115,500	1,115,500	1,115,500	1,115,500	1,115,500	1,115,500	117,127	11.7%	1,115,500	117,127	11.7%	

33rd PY Consolidated Plan
CDBG Resources and Expenditures

	(A) 2004-05 Adopted Budget	(B) 2005-06 Adopted Budget	(C) 2006-07 Adopted Budget	(D) Mayor's 2007-2008 Proposed Budget	(E) CAO/CLA Recommended Current CBDO Interpretation	(F) CAO/CLA One Year Change (E)-(C)	(G) CAO/CLA One Year % Change (F) / (C)	(H) Expanded CBDO Interpretation	(I) One Year Change Expanded (H)-(C)	(J) One Year % Change Expanded (I) / (C)
112 Los Angeles Housing Department	1,683,437	3,853,691	3,714,765	3,798,347	3,798,347	83,582	2.2%	3,798,347	83,582	2.2%
113 Planning Department	237,036	215,650	193,007	197,350	197,350	4,343	2.3%	197,350	4,343	2.3%
114 Shelter Partnership	152,168	150,000	-	150,000	150,000	150,000	NEW	150,000	150,000	NEW
Subtotal - Administration/Planning	\$ 21,657,491	\$ 21,368,892	\$ 19,196,490	\$ 20,589,359	\$ 20,589,359	\$ 1,392,869	7.3%	\$ 20,589,359	\$ 1,392,869	7.3%
CAP for ADMINISTRATION/PLANNING										
TOTAL CDBG FUNDING	\$ 124,903,712	\$ 108,492,519	\$ 107,688,799	\$ 113,867,649	\$ 113,867,649	\$ 6,178,850	5.7%	\$ 113,867,649	\$ 7,486,276	

**33rd PY Consolidated Plan
CDBG Resources and Expenditures**

Attachment G

1 Entitlement \$73,835,482

The City's 33rd PY (PY) Community Development Block Grant (CDBG) Entitlement for 2007-08 is estimated to be \$73,835,482. This estimate is based on the anticipation that the federal CDBG entitlement will not change from the 2006-07 allocation, due to the Continuing Resolution passed by Congress December 18, which extends national allocations for CDBG at the current year level until February 15, 2007.

2 Federal Reallocation \$618,009

This amount will be calculated as information becomes available, and includes the City's share of entitlement funds from jurisdictions that decline their allocations.

3 Program Income \$38,911,928

Program income results from the payment of principal and interest on housing rehabilitation, economic development, Community Redevelopment Agency-issued loans and float loans. Federal regulations require that the annual budget estimates include the amount of program income that the City expects to receive during the PY. Program income for the 33rd PY is projected to increase by \$14,641,066 from 32nd PY projected receipts of \$24,270,861, due to increased collections of outstanding rehabilitation and earthquake loans.

4 Program and Administrative Savings \$502,231

Program and administrative savings are projected for the 32nd PY. These funds are derived from an unallocated amount of CDBG dollars which resulted from Council and Mayor action to exchange dollars with City General Fund and/or Urban Development Action Grant (UDAG) monies for organizations unable to certify as Community Based Development Organizations (CBDOs).

DETAIL OF CDBG EXPENDITURES

PUBLIC SERVICES \$16,421,251

There is a 15% statutory spending cap in the Public Services category.

5 Abandoned Bulky Item Pick-up

Funding for this program is provided for the 33rd PY and thereafter it is anticipated that the program will be incorporated into the Department of Public Works/Bureau of Sanitation budget. This item was initiated as a pilot project to employ disadvantaged youth in an effort to eliminate blight caused by large items left along City streets in targeted areas identified by the Office of the Ninth Council District.

6 Aging Services Delivery System

\$466,232 recommended for this program under the Public Services category. Currently, \$670,136 is eligible for this program in the CBDO category of funding. The Aging Services Delivery System is a community-based program that provides a variety of health, housing, social, legal, and other support services for senior citizens. The program is designed to meet the individual needs of seniors and the frail elderly who have physical, emotional, or mental impairments, and who require assistance and supervision. The system includes programs such as Adult Day Support Centers (ADSC), Emergency Alert Response System (EARS), and Legal Services.

7 AIDS Prevention

Funding is provided at the same level as in the 32nd PY to the Department on Disability to administer the AIDS Prevention Program. This program seeks to reduce the number of new HIV infections through contracted HIV risk reduction education, HIV testing and counseling referrals, information and supplies for safer sex practices, medical and social services referrals, needle exchange tied to substance abuse treatment, safer sex education for HIV positive individuals, substance abuse education and awareness, behavior modification programs, and AIDS awareness skills building.

8 Cash for College (Formerly LA Youth at Work)

Funds are provided to the LOS ANGELES AREA CHAMBER OF COMMERCE FDN expand awareness of financial aid opportunities among City students and their families. This program also provides information regarding employment opportunities for youth at local schools and at job fairs.

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9 Central City Neighborhood Partners (CCNP)

Funding under the Public Services category is provided at half the amount of the 32nd PY due to limitations in funds and encouragement of non-profit organizations to obtain funding through City competitive bid and other processes. Funding of \$250,000 is also provided to CCNP under the CBDO category. (See Item #37 below regarding the CBDO funding.) This program offers health-oriented recreational and educational activities to youth and adults residing in the Central City, Pico Union, and Westlake areas. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process such as the Family Development Network Program.

10 Community Literacy Program - Project Tech

Funding is provided to Community Partners at the same level as in the 32nd PY to provide computer training and classes to adults, focusing on basic and intermediate level digital literacy skills. Training will include computer operations, key office application and internet skills, based upon industry certification standards. This will be the last year of funding for this activity. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

11 Department on Disability - Computerized Information Center

Funding is provided (at the same level as in 32nd PY) to the Department on Disability to operate activities that serve three constituencies: persons with disabilities (PWDs), businesses and community agencies, and governmental entities. Components include: 1) Helping mostly very low-income PWDs find resources and employment needed to maintain economic stability; 2) Helping businesses, community organizations, and the City to create inclusive environments and economic opportunities for PWDs, and 3) Assisting businesses and agencies with ADA compliance.

12 Domestic Violence Shelter Operations

Funding is provided (at the same total level as in 32nd PY) to the Community Development Department (CDD) to contract for the continued implementation of the Domestic Violence Shelter Operations Program (DVSO). For the 33rd PY, funding is transferred from the CBDO category to PS. The DVSO program facilitates the provision of safe and secure emergency and transitional shelter, case management and related supportive services to domestic violence survivors and their children. Services include assisting persons in crisis situations by providing individual and family counseling legal services, job skill development, job search activities, income management, opportunities for education and improved literacy, to ensure clients and their families are emotionally and economically self-sufficient.

13 Fresh Food Access Program

Funding is provided to the Los Angeles Conservation Corps. The Fresh Food Access Program is designed to develop and maintain community gardens in order to increase the self-reliance of low-income community members to provide for their food needs. This program also subsidizes work experience for at-risk youth. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

14 Gang Membersip, Vandalism, and Illegal Nuisance Dumping Reduction

Funds are provided to the Harbor Area Gang Alternatives Program to deliver gang prevention classes to 4th graders in 14 elementary schools and 6th graders in three middle school, four 10-week parenting classes, four 6-week teen classes, and community clean-up services on an on-call basis for the 15th Council District one day per week. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

15 Housing Authority - Community Service Centers

Funding is provided to the Housing Authority for the County of Los Angeles (HACLA) for services at the HACLA facilities, including job training, placement, education, technology, cultural and recreational programs. Participants receive support in the areas of personal motivation, economic opportunities, access to resources and education, health care and community support, civic participation, and individual and community action.

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16 Human Services Delivery System

\$1,321,790 is recommended under the Public Services category of funding. Currently, approximately \$2.3 million is eligible for CBDO funds. CDBG funding for the program is leveraged with approximately \$5 million in Community Services Block Grant (CSBG) funds. The Human Services Delivery System provides services in the areas of childcare, crisis intervention, family counseling, case management, information/referral/client advocacy, youth development and community improvement services. The program is focused on providing a continuum of care through consortia-based Family Development Networks.

17 LA's BEST

Funding is provided to LA's BEST but with a 75% reduction over the 32nd PY funding level of \$2,812,000. This contractor was directed to identify alternative funding sources that will maintain the program at the 32nd PY funding level by considering such sources as the State Proposition 49 funding for after-school programs. This after-school program provides enrichment, education, recreation and a snack at no cost to parents for children with the greatest needs and fewest resources. Program content includes homework support, sports, math, reading, science, computer skills, arts education, and fitness.

18 LA Bridges II Gang Intervention Program

The total amount of recommended funding for the Community Development Department to administer the Bridges II Gang Intervention Program is \$972,090, consisting of \$899,766 under the Public Services category and \$72,324 under the CBDO category. (See Item #47 below regarding the CBDO funding.) This distribution of funding between the Public Services and CBDO categories accounts for eligibility of contractors for CBDO funding as reported by the CDD. This component of the LA Bridges program provides Citywide gang intervention teams (two per team) in order to reduce gang violence through peace mediation and moving youth and young adults at risk or involved in gang activity into education, training and jobs.

19 LAHSA - Beyond Shelter

Funding for this program will remain at the 32nd PY level. In PY33, funding is recommended under the PS category due to CBDO certification issues. This program provides outreach, referral, case management, crisis intervention, hotel vouchers, Section 8 vouchers, move-in assistance and housing placement to homeless families.

20 LAHSA - Central City East Public Sanitation Project

Full funding is restored to this program to provide the homeless in the Skid Row area of downtown Los Angeles with access to permanent toilet and property storage facilities. This project also provides storage for individual's personal possessions.

21 LAHSA - Homeless Emergency Shelter & Services

Funding for this program is reinstated to the 31st PY funding level to provide a range of services in the homeless continuum of care including supportive services, emergency shelter, and transitional housing for homeless individuals and families. Also included under this project title is the Housing Assistance Program, which provides short-term subsidies to formerly homeless families to assist them to maintain stable housing in the first few months after placement.

22 LAHSA - Rent to Prevent Eviction (Beyond Shelter)

Funding for this program is reinstated to the 31st PY funding level and is designed to prevent homelessness by providing one-time-only financial assistance to pay rent for households in need. Applicants for this assistance must demonstrate that the rent arrears were due to unforeseen (and not continuing) expenses. Applicants are required to work with local social service providers to address budgeting and planning issues.

23 LAHSA - Special Economic Development Opportunities

LAHSA has confirmed that CBDO-eligible expenses have been identified for the full amount of funding allocated to this program. Therefore, the full amount of \$4,333,000 has been allocated in the CBDO category of funding.

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24 LAHSA - Year-Round Emergency Shelter - Downtown

Funding for this program is reinstated to the 31st PY funding level to provide 64 emergency shelter beds, meals, and supportive services to people who are chronically homeless, living on the street or in other places not meant for human habitation in downtown Los Angeles. On-site services include case management, benefits assistance and referrals, mental health services, life skills training, housing placement, and follow-up services. Referrals are made to off-site providers for health care, employment services, drug and alcohol counseling, veteran services, etc.

25 LAHSA - Year-Round Emergency Shelter - Hollywood

Funding for this program is reinstated to the 31st PY funding-level to operate a year-round emergency shelter in Hollywood targeting chronically homeless individuals. Services provided at the shelter include meals, case management, benefits assistance, substance abuse counseling, mental health services, health care, employment readiness classes, and housing placement. Referrals are made to other appropriate services assisting homeless persons.

26 Plaza de la Raza

CDBG funding will be used to support the activities of Plaza de la Raza, a multidisciplinary cultural arts center in Lincoln Heights. Plaza de la Raza provides year-round programs in arts education and activities, thereby fostering the enrichment of all cultures. Many of the youth who come to the center are from low-income families. In past years, these services were provided as a component of the CCNP Program, however, funding this year is provided via separate contracting mechanism. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete for funding through a competitive Request for Proposal (RFP) process in the 34th PY.

27 Success Now: Paso Unido - Mentoring Our Youth in Pico Union

Funding for this activity is provided to Salvadoran American Leadership and Education at a 4% reduction (\$4,234) from the 32nd PY. This project focuses on mentoring youth in the Pico-Union neighborhood, one of the most disadvantaged areas in Los Angeles; and provides mentorship and support to at-risk, predominantly low-income youth that lack sufficient role models and guidance during the difficult adolescent period. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

28 Valley Chrysalis

Funding is provided to Valley Chrysalis as a stand-alone activity with a \$5,000 increase in the 33rd PY. This project provides employment and training services and work opportunities and referrals to the homeless in the San Fernando Valley. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

29 Valley Family Technology Project

Funding for this program is provided to the Youth Policy Institute at a slightly reduced level (from \$101,935 in 32nd PY). This project, located in the Pacoima community, is targeted to children of families enrolled in the fourth grade at Pacoima Elementary School, and provides a variety of supportive services, including after school educational services for students, and adult education for parents in the evening. Family advocates offer each family an assessment and supportive services plan. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

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30 Van Nuys Community Court

Funding for this program is provided at the same level as 32nd PY funding. The Van Nuys Community Court is a problem-solving court committed to restorative justice and rehabilitation, using the power of the justice system to link those who commit low-level "quality of life crimes to drug treatment, counseling, job training, to address the offender's underlying problems. Offenders also perform community service within the community court service area. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

31 Venice Community Housing Corporation/Another Chance Program

This program has been reclassified under Public Services for the 33rd PY at a funding level consistent with for the 32nd PY allocation. Funding is provided to the Venice Community Housing Corporation to provide high school dropouts who attend John Muir Charter School with a curriculum customized to address personal educational challenges, aided by teachers with specialized experience with this at-risk population.

This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

32 Youth and Family Centers

Funding is increased from the 32nd PY amount of \$1,808,180 to provide monies to seven Youth and Family Centers (YFCs) and one the Robert Pitts Community Center. Funds will be used to pay for CDD staff salaries (on average includes one to two staff persons per site), contracted services (i.e., landscaping maintenance, janitorial services, security officer, leases and photocopier), health and safety upgrade costs as needed, utilities, and other operating expenses. YFCs provide core services that include the following: ESL, workplace English, computer education, continuing education, narcotics and alcohol anonymous programs, youth programs (including mentoring and after-school tutoring), food distribution, and information and referral services.

33 Youth Opportunities Movement - SFV, Boyle Hts & Watts

Funding is provided at a reduction of \$25,750 for the Los Angeles Youth Opportunity Movement (LAYOM) program operated by CDD. This program promotes youth achievement by working with families and community partners to create opportunities that help youth reach their education, employment, and personal development goals. CDD case managers work with an average of 50 youth ages 14-21 in the communities of Watts, Boyle Heights, and the north San Fernando Valley to reduce poverty and unemployment. Program savings achieved through the opening of the Boyle Heights Youth & Technology Center in September 2006 will absorb the net reduction in program funding.

34 Youth Recreation and Nutrition Program

Funding for this program is provided at a 12% reduction from the 32nd PY level. Additional funds to those proposed by the Mayor are provided to minimize the impact of funding reductions to this program, which provides school age youth with a wide variety of recreational opportunities. The program is "free" for youth to receive comparable recreation that families in more affluent areas can afford to pay for. These programs include: after-school recreation activities, off track nutrition and enrichment programs, and specialized sports academy programs. Participation in the program builds self-esteem, provides safe, structured, and supervised places to play and meet friends, address childhood obesity through physical play and nutritional programming, and provides positive outlets for latchkey children by keeping them off the street and possibly being victims of crime, while helping them develop the values and skills needed to become a positive role model in their community. The Department of Recreation and Parks is strongly encouraged to seek alternative funding sources or more strategically budget existing resources to ensure services are provided in low- and moderate-income areas without Communit

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SPECIAL ACTIVITIES BY CBDOS

\$19,691,563

35 Aging Services Delivery System

According to the current interpretation of CBDO regulations, \$670,136 is eligible for this program in this category of funds. \$466,232 is recommended under the Public Services category of funding. (See Item #6 above regarding the Public Services funding.) The Aging Services Delivery System is a community-based program that provides a variety of health, housing, social, legal, and other support services for senior citizens. The program is designed to allow adult caregivers to work by serving dependent seniors who have physical, emotional, or mental impairments, and who require assistance and supervision. The system includes programs such as Adult Day Support Centers (ADSC), Emergency Alert Response System (EARS), and Legal Services.

36 Caanan Workforce Development Program

This new program is designed to provide employment services to adults, specifically those that are low income, basic skills deficient, those with misdemeanor and felony arrest, participants with disabilities, individuals with a history of substance abuse, and veterans and young adults with multiple barriers. Project activities will include employment assessment and development of job seeking skills (including resume writing, interview techniques, and researching job leads); other supportive services (transportation, child care and clothing vouchers); local workshops for youth groups; and referrals to employment sources. The strategy of the program is to develop strong ties to local city and county WorkSource Centers, as well as social service agencies. This will be a pilot year of funding for this activity as a stand-alone program. To be awarded additional CDBG dollars, the contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process. At the time of this report, CDD indicates that this program's eligibility for CBDO funding has not been determined. Therefore, we do not recommend approval of funds in this category for this project.

37 Central City Neighborhood Partners

Funding is provided to Central City Neighborhood Partners (CCNP). This agency will provide customized employment skill training to low-income residents of the Central City / Westlake / Pico Union areas of the City in fields such as dental health and leadership skills (in partnership with the USC School of Dentistry), computer office applications and physical health education. Funding is also provided to CCNP under the Public Services category (see Item # 9 above). This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process such as the Family Development Network Program.

38 Clean and Green

This activity is administered by the Los Angeles Conservation Corps and funding was proposed at the same level as the 32nd PY to train and employ youth (ages 13-24 years old) in the City of Los Angeles. The youth provide clean up, tree planting and community services throughout the City. CDD reports that the contractor for this program is not eligible for CBDO funding under either the current or expanded interpretation of CBDO regulations. Therefore, we recommend that funds not be committed to this project. Therefore, funding is moved to the CBDO RESERVE line item.

39 Community Resources for Technology & Computer Learning (CRTCL)

This program and the contractor, the Watts Labor Community Action Committee, is eligible for funding under the proposed expanded interpretation of CBDO regulations, but not under the current interpretation. Should Council choose not to adopt the proposed expanded interpretation, we recommend that funds for this program be included in the CBDO RESERVE line item. This program provides skill training to individuals in cleaning, upgrading and reassembling donated hardware in a computer-refurbishing lab. Participants learn computer hardware assembly, software operations, and Internet literacy. This will be the last year of funding for this activity. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

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40 Day Laborer

According to the current interpretation of CBDO regulations, \$297,608 of the total \$1.2 million is eligible for these funds. At this time, only funds equal to eligible expenses reported by CDD are recommended. The balance of funds are contained in the CBDO Reserve line item. The CDD should be instructed to report relative to the impact to this program. Funding is recommended to provide fixed hiring sites in selected areas of the City where persons participating in the casual labor force can safely congregate to solicit employment from residents/businesses seeking day labor. Funding provides basic amenities to day laborers, such as water, coffee, bread, lavatories, waste disposal, benches and shade. Contracted staff work on issues of community mediation and solicitation of donated services for issues related to health, conflict resolution, English classes, and other areas of instruction.

41 Fuego Tech Fire Rangers

Funds would be awarded to the Los Angeles Conservation Corps. At the time of this report, CDD has determined that this organization is not eligible for funding in the CBDO category. We therefore recommend that funds for this program be moved to the CBDO RESERVE line item. Fuego Tech Fire Rangers is a program for youth (ages 13-25) that provides a series of fire fighting/suppression training and classes, serving as alternatives to gangs, drugs and other non-productive behaviors. Fuego Tech's central mission is to teach life skills to at-risk youth and enhance their self-esteem, by providing discipline and structure through job training, and experiences that are provided by community leaders, personal mentors and experienced staff.

42 Gang Prevention and Intervention Program - CD 10

Funding for this activity to Community Build as a stand-alone project is restored to a full year, pending the outcome of an overall review of and recommendations concerning the City's overall gang prevention/intervention programs. The program includes youth recreation activities, conflict resolution services, Safe Passages program implementation, youth educational and employment assistance, and community clean-up activities.

43 Good Beginnings

The contractor for this activity is Los Angeles Conservation Corps. At the time of this report, CDD has determined that this organization is not eligible for funding in the CBDO category. We therefore recommend that funds for this program be moved to the CBDO RESERVE line item. Funding for this activity had been recommended at 32nd PY funding level. This childcare program provides quality education for 3-5 year olds and helps parents secure and maintain family health care services. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

44 Human Services Delivery System

According to the current interpretation of CBDO regulations, approximately \$2.3 million for this program is eligible for these funds. \$1,321,790 is recommended under the Public Services category of funding. Funding for the HSDS is leveraged with Community Services Block Grant (CSBG) funds. The HSDS provides a wide variety of supportive services in the areas of childcare, crisis intervention, family counseling, case management, information/referral/client advocacy, youth development and community improvement services. The program is focused on providing a continuum of care through consortia-based Family Development Networks.

45 Human Services Delivery System RESERVE

We recommend that funding for this line item be moved to the CBDO RESERVE line item, due to CDD's determination that CBDO eligible activities in this amount for this program have not been identified.

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46 Individual Development Account Los Angeles Program

CDBG funds were proposed as matching funds to cover the IDA LA Program, a five-year U.S. Department of Health and Human Services grant program for one year. Funds would also be used to cover administrative and operational costs for the operator, the Los Angeles Community Reinvestment Committee DBA Community Financial Resource Center (CFRC), a nonprofit economic development corporation. Matching funds would be used to match savings accounts for low income participants who seek to purchase a home, start a business or obtain post-secondary education. The City was awarded a \$500,000 grant to operate the program for five years. Funding the program requires an ongoing commitment of up to \$252,000 annually for operational costs and \$400,000 in additional matching grant funds for the duration of the grant. CFRC is not an eligible CBDO.

47 LA Bridges II Gang Intervention Program

See Item # 18 for a description of the program.

48 LAHSA - Special Economic Development Opportunities

Total funding for this program is provided at the same level in the 33rd PY (\$4,333,000). (See Item #23 above regarding the Public Services funding.) The project funds neighborhood revitalization at homeless agencies in the Skid Row area of downtown Los Angeles. The agencies provide transitional shelter & services for women; beds and services for mentally ill individuals; public showers and toilets; management of single room occupancy hotels and services in 2 public parks and a community center; transitional beds and services for individuals; and emergency and transitional beds and services for individuals.

49 LAHSA - Workforce Center / Job Training and Placement

CDBG funds will be used to expand employment training, employment referrals, and job preparation/readiness activities leading to both temporary and permanent hiring of the homeless persons in paid positions in both the private and public sector. The program will be administered by LAHSA in partnership with CDD and its Workforce Development System on the program design for employment related services. Employment services in the plan as whole are to be conducted in coordination and integrated with the Workforce Development System. CBDO funding should be provided to this program, upon the identification of CBDO-eligible agencies for operation.

50 Office of Community Beautification (formerly Operation Clean Sweep)

Total funding for this program will continue at the 32nd PY level; however, 33rd PY funding will be entirely allocated within the CBDO category. The Board of Public Works will administer contracts with non-profit community based organizations to implement graffiti removal activities throughout Los Angeles. Disadvantaged youth and adults are employed to conduct graffiti removal programs. City corridors are regularly monitored for graffiti. Requests received from residents are completed within 24-48 hours.

This program contracts with non-profit community based development organizations to implement graffiti removal activities throughout Los Angeles. Disadvantaged youth and adults are employed to conduct graffiti removal programs. City corridors are regularly monitored for graffiti. Requests received from residents are completed within 24-48 hours.

51 Playa Vista JOBS L.A.

Funding for this activity is provided to Playa Vista Jobs and is increased by \$50,000 from the 32nd PY funding level. This program provides job placement and retention services to low-income, multiple-barriered, and at-risk residents. The program advocates for set-asides for the at-risk at major construction projects, then places clients in the positions created. This will be the last year of funding for this activity as a stand-alone program. The contractor will be encouraged to compete thereafter for funding through a competitive Request for Proposal (RFP) process.

52 Rita Walters Learning Complex

Funding is provided to the Children's Collective, Inc. at the same level as 32nd PY to operate the Rita Walters Learning Complex. Funds requested will support services including an alternative high school for youth between the ages of 14 and 21 who are at a high-risk of not graduating due to multiple factors, including teen pregnancy. The Complex also provides family and individual counseling for area residents, access to workforce development activities, and cultural, recreational, and financial literacy/job readiness activities for community residents.

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53 Youth Media Technology Training Program

Funding is provided to the Media Aid Center, increased by 5% from the 32nd PY level. However, the 33rd PY is the last year of funding for this stand-alone activity. The contractor is encouraged to compete for future funding through a competitive Request for Proposal (RFP) process. Funding is for the Media Aid Center to provide media technologies training in collaboration with five South Los Angeles High Schools. The program is designed to enhance the technical skills, economic opportunities, work experience, and entrepreneurship opportunities of underserved youth.

54 CBDO RESERVE

Funds allocated in this line item represent funds that could be provided to agencies that will become eligible for CBDO certification, should HUD respond favorably to the Mayor's request for an expanded interpretation of CBDO certification requirements. We recommend that these funds be set aside until the City receives a determination from HUD relative to this request.

55 CBDO Unallocated

Funds allocated in this line item represent funds allocated to programs that are altogether ineligible for CBDO certification. Options for the expenditure of these funds are provided in the body of the report.

ECONOMIC DEVELOPMENT

\$11,022,846

55 Block Grant Investment Fund

This program is intended to make highly selective public investments in catalytic commercial and industrial projects that will leverage significant private sector investment. These funds are targeted at those areas of the City where lack and/or decline of private investment has led to blighted conditions, limited/lessened job opportunities, and decreased City tax revenue. The funds can provide the necessary gap financing for projects that cannot be carried by the project's private sector cash flows. We recommend the expansion of the list of eligible projects (see Attachment J). We further recommend that the purpose of the BGIF be expanded to include capital assistance for businesses displaced by LAUSD construction as proposed by the Commercial Industrial Development Initiative (See #56 below).

56 Brownfields Development Opportunities

Funds of \$1,000,000 is provided for this activity. Brownfields are abandoned, idled or under-used properties where redevelopment and job creation is complicated by real or perceived environmental contamination. The City's Brownfields Revitalization Program is a collaborative effort between the Mayor's Office of Economic Development, Environmental Affairs Department, Community Development Department and the Community Redevelopment Agency. Funds will be used for on-call technical assistance, exploratory site assessments, major economic development site assessment and clean up, and demonstration site activities. We recommend that the services funded by this program be extended to the evaluation and remediation of environmental contamination at sites that are being prepared for the relocation of businesses displaced by LAUSD construction activities as proposed by the Commercial Industrial Development Initiative (See #56 below).

57 Commercial & Industrial Development Initiative

Funding is not recommended for this program at this time.

58 Economic Development Program Delivery

Funding for this activity will continue at the 32nd PY funding level. This activity funds CDD's Economic Development Division project implementation and staffing costs for direct assistance to businesses engaged in economic development.

59 LABAP Growth Industry Business Assistance Centers

Funding is provided (at the same level as in 32nd PY) for the Growth component of the Los Angeles Business Assistance Program (LABAP). This program component assists established businesses in one of eight identified growth industry sectors to encourage business and job growth.

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60 LABAP Micro-Enterprise/Entrepreneur Assistance Centers

Funding is provided at the same level as in the 32nd PY for the Micro-Enterprise/Entrepreneur component of the Los Angeles Business Assistance Program (LABAP). This program component, administered through community-based organizations, provides training and technical assistance to entrepreneurs and micro-enterprise owners in order help develop businesses, which in turn, can support community development.

61 LABAP Retail Business Assistance Centers

Funding is provided (at the same level as in 32nd PY) for the Retail component of the Los Angeles Business Assistance Program (LABAP). The program component provides training workshops, technical assistance, and other relevant referrals in order to help stabilize and grow retail businesses.

62 Pacoima Towne Center Revitalization Project

Funding is provided for pre-development costs associated with the acquisition, planning, engineering, and environmental studies required in order to develop parcels in the Pacoima Town Center into a mixed (commercial and residential) use by the organization Initiating Change In Our Community Development Corporation (ICON).

63 Pacoima Business Outreach Program

Funding is provided to the ICON Community Development Corporation to provide technical assistance, business counseling and to conduct business and access to capital workshops within the Seventh Council District. ICON will utilize the funds to leverage and market existing efforts through the "Business Outreach Project" which focuses on the Federal Empowerment Zone and State Enterprise Zone. Funds are provided through an equal reduction to the Pacoima Lighting Improvements - Phase V project, at the request of Council District 7.

HOUSING & RELATED PROGRAMS

\$28,700,402

In the 33rd PY, overall CDBG funding allocated for Housing activities will remain unchanged.

64 Affordable Housing Trust Fund

Funding for this activity is continued with \$2,983,057 increase over the 32nd PY funding level. Funds are provided to address the need for development and preservation of affordable housing. LAHD reports that funds will be used for staffing and administrative costs associated with this program. Capital funding for Affordable Housing Trust Fund projects has been moved to the HOME program this year to assist with timely expenditure of CDBG funds.

65 Single Family Rehabilitation - Home Secure

Funding is provided (at the same level as in 32nd PY) for this program to increase the independence of seniors and disabled within the City by having contracted agencies modify living environments (as necessary) with installations of such features as locks, peep holes, grab bars and tub attachments to increase home safety and security.

66 Single Family Rehabilitation - Handyworker

Funding for this activity is continued at the same level as in the 32nd PY. Funding is provided for minor home repair services, not requiring City permits, performed by contractors for low-income elderly and disabled homeowners. Grants of up to \$5,000 per client can be used for repairs or improvements that address safety, accessibility and security issues, including exterior and interior repairs. This popular program enables low-income homeowners to continue to live independently, avoid predatory lenders, and help preserve the existing stock of affordable housing in Los Angeles.

67 Homeownership Assistance

Funding is recommended for continuation of this program, with a \$2.3 million increase, to provide loans, grants, and tax credits to low-and-moderate-income first time homebuyers to increase their purchasing power since it is challenging for this population to be able to afford these purchases in Los Angeles.

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68 Multifamily Rehabilitation Small Properties

Funding is recommended for this program to provide low-interest loans for owners to rehabilitate small properties (5-28 units), improving the lives of very low-income tenants, bringing properties into compliance with State health and safety codes, and maintaining the number of habitable dwelling units in the City. Funding for this program is reduced by \$2.4 million.

69 Nuisance Abatement/CNAP & PPRT/FALCON

Funding is recommended at the same level as the 32nd PY for this project. FALCON's (Focused Attack Linking Citizens, Organizations and Neighborhoods) team works with other City agencies that comprise the Problem Property Resolution Team (PPRT) and the Comprehensive Nuisance Abatement Program (CNAP). This multi-agency approach provides police officers, prosecutors, building inspectors, community organizers and zoning administrators an opportunity to work together in developing short- and long-term nuisance abatement strategies in City neighborhoods, thereby reducing crime in impacted low/moderate income areas.

70 Section 108 Debt Service

Funding for this activity is increased to repay the U.S. Department of Housing and Urban Development (HUD) for Section 108 funds borrowed by the City and utilized by LAHD under the 1992 Civil Disturbance Recovery Efforts (\$30 million authorized), the 1994 Northridge Earthquake rebuilding efforts (\$40 million), and the Norman Terrace (Harbor Gateway) Project (\$5.9 million). The City repays HUD over a 20-year term for the borrowed funds.

71 Single Family Rehab - 1-4 Units

This program will serve both low-income single family owner occupants as well as owners of small rental properties with low-income occupants. This is in conformance with HUD and FHA regulations which have long categorized properties up to 4 units as "single family". The program provides deferred payment, low-interest rate loans to low-income owners, to assist them in bringing their homes up to code, eliminating lead-based paint and other hazards, and for general improvements.

72 Urgent Repair Program

Funding for this program is continued in the 33rd PY, with a \$200,000 decrease, to provide quick response to life-threatening conditions in multi-family rental units. When SCEP issues a 48-hour Notice to Correct for code violations that pose an immediate threat to the tenants' health and safety, but the landlord does not comply, LAHD's contractors make the repairs. This program prevents homelessness, preserves the tenancy of the occupants by preventing their evacuation, and preserves affordable housing.

NEIGHBORHOOD IMPROVEMENTS

\$8,855,156

73 City Trees (LACC)

New CDBG funding is provided to plant trees in identified areas within low and moderate income neighborhoods such as South Los Angeles and Van Nuys, to create a more livable, beautiful, and breathable Los Angeles through increased green space.

74 Code Enforcement - Citywide PACE

Funding is provided at the same level as in 32nd PY plus includes and consolidates funding from separate line item for CD1 at the 32nd PY level. PACE (Pro-Active Code Enforcement) is an intervention program designed to seek out code violations within a targeted area to gain compliance and help revitalize that community, increase public safety, reduce crime, and enhance the economic growth and stability of these areas. When surveying neighborhoods, Department of Building and Safety inspectors focus on violations that include graffiti, trash, abandoned autos, illegal signs, hazardous or illegal construction, substandard single-family dwellings, etc. CDBG-funded work is limited to low- and moderate- income census tracts within the City.

75 Code Enforcement - Citywide PACE - City Attorney

Funding is continued in the 33rd PY at the same level as in 32nd PY, for the City Attorney's Office to partner with the Department of Building and Safety in order to handle legal matters (including court case filings and hearings related to the PACE program (described in Item #71 above). This work is part of a multi-agency approach to resolving code violations in designated low/moderate income areas throughout the City.

33rd PY Consolidated Plan
CDBG Resources and Expenditures

Attachment G

76 Commerce Ave Lighting Improvements

CDBG funds will be used for construction of new streetlights in a low-income residential area of the Foothill community of Tujunga. Maintenance will be assessed to property owners.

77 Cypress Park Lighting Improvements

Funding is for construction of approximately 90 new streetlights in a low-income residential area of Cypress Park (Arvia Street to Idell Street, and Cypress Ave. to San Fernando Rd.). Maintenance will be assessed to property owners.

78 Delano & Beck Lighting Improvement

CDBG funding is provided for construction of approximately 77 new streetlights in a low- to moderate-income residential area of North Hollywood (Victory Boulevard to Delano Street and Troost Street to Camelia Street). Design was funded in 32nd PY (see Item #98 below). Maintenance will be assessed to property owners.

79 Nuisance Property Abatement - Demolition

Funding is provided to the Department of Building and Safety to pay for contracted work involved in nuisance property abatement demolition. When a property owner fails to comply with an Abatement Order, the City will clean, fence, barricade and/or remove graffiti. The Department may deem the property to be a public nuisance (normally due to repeated vandalism or other criminal activity) and cause the building to be demolished. The abatement work is performed by an independent contractor. Work is limited to low- and moderate- income census tracts within the City.

80 Pacoima Lighting Improvements Phase V

Funding is for construction of approximately 65 new streetlights in a residential area of Pacoima (Paxton St. to Van Nuys

81 Echo Park Community Transit Village

CDBG funds will be used for design and pre-development costs to establish a park at 1340 Glendale Boulevard in Council District 13. This project was provided with acquisition funds in the 32nd Program Year reprogramming process. This project replaces to Rockwood Pocket Park, at the request of Council District 13.

82 Sidewalk Construction and Tree Planting Program

Funding is provided (at the same level as in 32nd PY) to the Department of Public Works/Bureau of Street Services to reconstruct sidewalks and plant trees in declining low- to moderate- income residential neighborhoods of the City.

83 Boyle Heights Green Corridor

Consistent with priorities for the 33rd Year Consolidated Plan identified by Council in the 32nd Program Year reprogramming process, funds are provided to create a green corridor linking the Blueberry Hills stairs to Hollenbeck Park along 6th Street in Boyle Heights. It will also provide landscaping improvements to the stairs. CDD has confirmed that this is an eligible use of funds.

84 Pico Boulevard Streetscape

Construction of a median and streetscape improvements along Pico Boulevard between La Cienega and La Brea.

PUBLIC FACILITIES & IMPROVEMENTS

\$8,587,072

85 Bradley-Milken Parking Lot Acquisition

CDBG funding is provided to acquire property near the Bradley Milken Youth and Family Center (YFC) to provide off-street parking for the facility. Currently, the facility has no off-street parking, and applicable codes (and Americans with Disabilities space standards) require 31 spaces. Although some property has been acquired by the facility's management, it is insufficient to meet City requirements to complete this project.

33rd PY Consolidated Plan
CDBG Resources and Expenditures

Attachment G

86 Casa Alicia Restoration Project

New funding is recommended for award to the Pico Union Housing Corporation for the restoration of two turn-of-the-century houses that have been relocated to 1115 Alvarado Street in Los Angeles that will be transformed into the headquarters of the Historical Restoration Apprenticeship Program. The structure will house the apprenticeship program of trades associated with historical restoration, job preparation/educational programs (include high school diploma and computer classes) to prepare youth for the job market, and their Economic Development Division that will provide first time homebuyers and small business assistance.

87 Clinica Oscar Romero

New funding is recommended for Clinica Oscar Romero to acquire the building that now houses 80% of their services to have a permanent facility for their patients in a community that lacks health care centers. The clinic provides prenatal and child health care, periodic medical and dental care, immunizations, and disease management, which can keep the population healthy, and enable them to learn and work.

88 Estelle Van Meter

Funding is provided for the construction costs associated with renovation of the community room at the Estelle Van Meter Senior Center.

89 The Jeffrey Foundation - Parent Child Training Center - Phase II

New CDBG funding is provided for the Jeffrey Foundation to renovate the existing Parent Child Training Center building, expand the existing conference/auxiliary room, and convert existing offices to provide more child development services for children living with severe disabilities and provide more parenting, counseling and childcare services to families with one or more disabled children.

90 Neighborhood Facility Repair

Funding is provided (at about 15% less than the 32nd PY level due to vacated positions) to pay salaries and related costs for 17 CDBG capital development specialists who implement acquisition, construction and/or renovation projects in City-owned and non-profit agency-owned facilities. This line item also includes \$900,000 for emergency projects at City-owned facilities.

91 PALS Youth Project

New CDBG funding is provided to construct a center for area youth ages 6-17 which will offer educational and recreational programs to assist low-income families and help prevent juvenile delinquent behavior and crime. The program is intended to develop a long-term respect for the legal system by promoting positive experiences with law enforcement professionals.

92 Playa Vista Jobs

New CDBG funding is provided for the Playa Vista Jobs (PV JOBS) organization to purchase and renovate a site to develop a service center with digital infrastructure, classrooms and a studio. PVJOBS operates the following three programs: 1) PVJOBS Workforce Development with social services for at-risk residents; 2) LA Community College e7 Program for business development; internships and career development for at-risk collegians; and 3) Advocacy for at-risk job set-asides.

93 Reseda MPC (formerly One Generation)

New funding is recommended to enable the ONEGeneration Senior Enrichment Center to replace a 20-year old roof (approximately 13,000 square feet) and HVAC units since the leaky roof affects class schedules, safety, socializing and support services for seniors. The Center serves an average of 500 seniors daily with language, computer, art therapy, dance, nutrition and health education classes; senior workshops regarding matters such as fraud prevention, immigration issues, legal services, Medicare enrollment; podiatric services; provision of taxi vouchers; intergenerational mentoring groups; discussion groups; travel opportunities; and lunches.

94 MacArthur Park Bandshell

Funds needed for restoration of the MacArthur Park bandshell to be undertaken in partnership with a non-profit developer who is providing additional funds for the project.

95 Sun Valley Recreation Center-Fields

Improvements to athletics fields including synthetic turf and new field restrooms.

**33rd PY Consolidated Plan
CDBG Resources and Expenditures**

Attachment G

ADMINISTRATION/PLANNING - (20% CAP)

\$20,589,359

96 Aging Department

Funding is provided (at the same level as in 32nd PY plus 2.25% COLA) to the Department of Aging for administration of the Aging Services Delivery System.

97 AIDS Policy Development

Funding is provided (at the same level as in the 32nd PY plus 2.25% COLA) to the Department of Disability for the AIDS Coordinator's Office staff to administer activities funded under the AIDS Policy and Planning program, including advising the Mayor and the City Council on AIDS policy issues; developing City initiatives to fund support services for persons with HIV/AIDS; building cooperative relationships with other public and private entities regarding HIV/AIDS strategies and treatment; developing research projects and capacity-building for AIDS services agencies serving residents living with HIV/AIDS.

98 Board of Public Works - OCS

Funding is provided (at the same level as in the 32nd PY plus 2.25% COLA) to the Bureau of Public Works (Operation Clean Sweep) to provide for administrative oversight of the Zero Tolerance graffiti removal program, OCB CBDO contractors, LACC Clean and Green, community-based volunteer clean-up project and educational outreach project. All programs are operated through the Office of Community Beautification, located within the Board of Public Works of the City of Los Angeles.

99 Citizens' Unit for Participation

Funding is provided at the same level as in 32nd PY for expenses associated with the City's Citizens' Unit for Participation (CUP), which is an advisory committee of private citizens appointed by elected officials City Council to represent the community in matters concerning CDBG projects and programs, and to ensure that the City complies with HUD-required Citizens Participation Plan. This item's funding covers expenses related to advertising, staffing and printing materials for community meetings, and other costs associated with soliciting and recording public input concerning resident needs and opinions.

100 City Attorney CDBG Program Administration for CDD

Funding is provided (at the same level as in 32nd PY plus 2.25% COLA) for the City Attorney's Office to provide advice and legal action on issues pertaining to the HUD formula grants under the Consolidated Plan, as well as other legal issues, such real estate and real property matters, City contracts, construction law, competitive bidding, and the interpretation of federal regulations, as well as state and local law. City Attorneys also handle relevant litigation matters.

101 City Attorney CDBG Program Administration for LAHD

Funding is provided (at the same level as in 32nd PY plus 2.25% COLA) for the City Attorney's Office to provide advice and legal action on issues pertaining to LAHD-administered housing programs funded through the HUD formula grants under the Consolidated Plan, as well as other legal issues, such real estate and real property matters, City contracts, construction law, competitive bidding, and the interpretation of federal regulations, as well as state and local law, particularly as they pertain to housing issues.

102 Community Development Department

Funding is provided (at the same level as in the 32nd PY plus a 2.25% COLA) for CDD salaries, expenses and some related costs in order to administer and manage CDBG activities in accordance with 24 CFR 570.205-6. Staff works in the following divisions of CDD: Economic Development, Human Services/Family Development, Financial Management, Computer Services, Human Resources, Administrative Services, and Executive Management.

103 Community Development Department - Capacity Building

Funding is provided for the City to be able to contract with consultants to assist nonprofit organizations develop and succeed in performing valuable work in the community. Since CDBG public services funds are limited, the City wants to help nonprofit entities improve their organizational operations, including their funding capabilities.

33rd PY Consolidated Plan
CDBG Resources and Expenditures

Attachment G

104 Community Development Department - Related Costs

Funding is provided to reimburse the City for additional CDD related costs as calculated by CAP rates. The CDD General Administration item (#109) above includes approximately \$2 million for related costs, however, this amount does not fully reimburse the City for all related costs for employee fringe benefits and City central services.

105 Consolidated Plan Application System

Funding is provided (at the same level as in 32nd PY) to support maintenance and enhancements of the Consolidated Plan Application System. Work will include system user improvements, assessment of integration with other relevant CDD systems and processes, and development of automated data, reports, and other outputs for better reviewing CDBG program information.

106 Program Evaluation

Funding is provided to evaluate both the L.A. Bridges II and Human Services Delivery System, pending a report back by CDD, with assistance from the Controller, relative to the evaluation scope and identification of available staffing and funding resources that could be used to facilitate the evaluations. These evaluations should be coordinated with any evaluation efforts recommended by the Ad Hoc Committee on Gang Violence and Youth Development relative to the Citywide gang activity reduction strategy.

107 Controller

Funding is provided for the Controller's Office for actual administration costs incurred annually, primarily involving the review and processing of CDD/CDBG financial transactions.

108 eCivis Grant Locator Database Services

Funding is provided for a subscription to the eCIVIS Corporation Grant Locator, a grant information database available to local governments. Each Grants Locator subscription also contains limited registration to grant training courses, which are designed to help local government staff master crucial skills, including grant writing, project development, budget and narrative preparation, and many others. Grants Locator users receive online training to acquaint them with the features of the system. The City Administrative Officer administers the Citywide eCivis contract.

109 Fair Housing

Funding is provided to the Los Angeles Housing Department for implementation of the Fair Housing Program. This is a HUD-mandated program for handling of housing discrimination cases, outreach, testing, and referrals.

110 Housing Authority of the City of Los Angeles (HACLA)

Funding is provided (at the same level as in 32nd PY) to Housing Authority of the City of Los Angeles (through the Community Development Department) for administrative costs related to the implementation of CDBG-funded programs, specifically the Employment Technology Centers.

111 Los Angeles Homeless Services Authority

Funding for this activity is continued with a \$117,127 increase for LAHSA (through the L.A. Housing Department) for administrative costs related to the implementation of CDBG-funded homeless programs. LAHSA administers, through a network of nonprofit agencies, programs designed to assist homeless persons to transition from homelessness to independent living.

112 Los Angeles Housing Department

Funding is provided (at the same level as in 32nd PY, plus 2.25% COLA) to the Los Angeles Housing Department for general administration of housing programs funded by CDBG.

113 Planning Department

Funding is provided to the Planning Department for staff to provide services to CDBG functions, including demographic research/analysis/reports and Geographic Information Systems (GIS) mapping/support.

114 Shelter Partnership

Funding is provided to the Shelter Partnership to prepare technical material, related program materials, conduct research, and provide technical and developmental assistance to homeless shelter operators and service providers working with the homeless throughout the City. In 1994, Shelter Partnership provided the first count of the homeless in Los Angeles.

Proposed 33rd PY Con Plan
Community Based Development Organizations (CBDO) Analysis and Allocations

PROJECT NAME/Contractor	Mayor's Proposed 2007-08										CAO/CLA Recommend				Remarks
	Proposed 2007-08	Certified - Current CBDO	Expanded CBDO Interpretation	Ineligible / Undetermined	Certified - Current CBDO	Expanded CBDO Definition	Current CBDO + Expanded CBDO	Ineligible / Undetermined / Unfunded	CBDO - Public Services (PS)	CA/CAO Reserve - Expanded	CA/CAO Unallocated				
CW Aging Services Delivery System -	1,705,542	684,066	700,660	318,816	684,066	700,660	1,384,726	-	318,816						
10. Assistancio League of Southern Calif. 1360 St. Andrews Pl, 90208	87,665	0	0	87,665					87,665						
13. 2 Senior Paralegal Project, 145 South Fairfax, Suite 200, 90036; Valley Rights Project, 1281 Victory Boulevard 91606	143,486	0	0	143,486					143,486						
11. 8 Delta Sigma Theta Life Development, Inc. 2528 West Boulevard 90016, 4112 West Slauson Avenue 90043	175,330	175,330	0												
14. International Institute of Los Angeles, 435 S. Boyle Avenue 90033	87,665	0	0	87,665					87,665					Agency did not apply.	
4. JFS Adult Day Care Support Center, Westside Jewish Community Center, 5870 West Olympic Bl. 90036	87,665	0	87,665											Agency's area of operation is City-wide; Issues with Governing Board	
12. ONEgeneration, 17400 Victory Boulevard 91406	87,665	0	87,665											Agency did not apply.	
11. OPICA, 11759 Missouri Avenue 90025	87,665	87,665	0												
12. San Fernando Valley Interfaith Council, Inc. (SfVIC); 6, 4, 7, 12	350,000	0	350,000												
15. 9 Waits Labor Community Action Committee, 10950 S. Central Avenue 90059, 429 East 42nd Place 90011	175,330	0	175,330												
15. Wilmington Jaycees Foundation, Inc. 1148 North Avalon Boulevard 90744	87,665	87,665	0												
Uncommitted	333,406	333,406	0												
Sub-Total	1,705,542	684,066	700,660	318,816	684,066	700,660	1,384,726	318,816	318,816						
9. Cnaan Workforce Development Program	100,000	-	-	100,000	-	-	-	-	100,000						
9. Cnaan Workforce Development Program	100,000	-	-	100,000	-	-	-	-	100,000					New Project. Insufficient information at this time	
1. Central City Neighborhood Partners	250,000	250,000	-	-	250,000	-	250,000	-	100,000					Total funding is \$350,000	
1. Central City Neighborhood Partners, 501 Bixel Street, 934,045	934,045	-	-	934,045	-	-	-	-	934,045					934,045	
CW Clean and Green -	934,045	-	-	934,045	-	-	-	-	934,045						
CW Los Angeles Conservation Corps, 1400 N. Spring St. 90012	934,045	-	-	934,045	-	-	-	-	934,045					Area of operation is City-wide; Board eligibility must be verified	
8, 9. Community Resources for Technology and Computer Learning	99,668	-	99,668	-	-	99,668	-	-	99,668					99,668	
15. Waits Labor Community Action Comm., 10950 Central Avenue, 90059	99,668	-	99,668	-	-	99,668	-	-	99,668						
Day Laborer - CBDO:	1,206,472	297,608	908,864	-	297,608	908,864	1,206,472	-	908,864					908,864	
1. CAREGEN, 1675 Wilshire Blvd., 90056	144,304	297,608	908,864	-	297,608	908,864	1,206,472	-	908,864						
1. Instituto de Educacion Popular del Sur de California (IDEPSCA) - Cypress Park Site, 2055 N. Figueroa St., 90031	144,504	-	144,504	-	-	144,504	-	-	-						
3. IDEPSCA Canoga Park Site, 21218 Roscoe Blvd., 91304	143,304	-	143,304	-	-	143,304	-	-	-						
6. Youth Policy Institute, N. Hollywood 11841 Sherman Way, 91605	153,304	153,304	-	-	-	-	-	-	-						
6. Youth Policy Institute, Van Nuys Site, 16600 Roscoe Blvd., 91406	144,304	144,304	-	-	-	-	-	-	-						
8. IDEPSCA - Chesterfield Square Site, 1680 W. Slauson Ave., 90047	143,304	-	143,304	-	-	143,304	-	-	-						
9. IDEPSCA, 1813 S. Main Street, 90015	182,244	-	182,244	-	-	182,244	-	-	-						
15. IDEPSCA Harbor City Site, 25820 S. Vermont Ave., 90770	151,204	-	151,204	-	-	151,204	-	-	-						
Sub-Total	1,206,472	297,608	908,864	-	297,608	908,864	1,206,472	-	908,864						
14. Fuego Tech Fire Rangers	49,718	-	-	49,718	-	-	-	-	49,718					49,718	
14. Los Angeles Conservation Corps, Fuego Tech Fire Rangers, 2130 1st St	49,718	-	-	49,718	-	-	-	-	49,718					Area of operation is City-wide; Board eligibility must be verified	
10. Gang Prevention and Intervention Program: CONTRACTING AGENCY	200,000	200,000	-	-	400,000	-	400,000	-	-					Restored to 2006-07 funding.	
10. Community Build	200,000	200,000	-	-	400,000	-	400,000	-	-						
1. Good Beginnings - CONTRACTING AGENCY	92,150	-	-	92,150	-	-	-	-	92,150					92,150	
1. Los Angeles Conservation Corps, 3665 S. Grand Ave.	92,150	-	-	92,150	-	-	-	-	92,150					Area of operation is City-wide; Board eligibility must be verified	
CW Human Services Delivery System	4,646,052	1,161,513	1,161,513	2,323,026	2,323,026	2,323,026	4,646,051	3,324,262	2,323,025					1,321,790 2,323,025	
														PS funds used to off-set ineligible. CAO/CLA: Represents 12 months' funding. Other sources include: State Community Services Block Grant.	

Proposed 33rd PY Con Plan
Community Based Development Organizations (CBDO) Analysis and Allocations

PROJECT NAME/Contractor	Mayor's Proposed 2007-08					CAO/CIA Recommendation					Remarks
	Proposed 2007-08	Certified - Current CBDO	Expanded CBDO Interpretation	Ineligible / Undetermined	Certified - Current CBDO	Expanded CBDO Definition	Current CBDO + Expanded CBDO	Ineligible / Undetermined / Unfunded	CDBG - Public Services (PS)	CLACAO Reserve Expanded	
Family Development Networks:											
5 Career Planning Center, Inc.	387,171			387,171			774,342				Agency is a national organization, not eligible for CBDO funding
7 Los Angeles Community College District (LA Mission College), 436 N. Macleay, San Fernando 91342	387,171			387,171			774,342				This is a Public Agency, is not eligible.
7 Neighborhood Legal Services of Los Angeles County (North Valley)	387,171			387,171			774,342				Area of operation is broad, board composition does not qualify.
7 Neighborhood Legal Services of Los Angeles County (South Valley)	387,171			387,171			774,342				Area of operation is broad, board composition does not qualify.
10 1736 Family Crisis Center, 2116 Arlington Ave.	387,171			387,171			774,342				Area of operation is broad, board composition does not qualify.
10 The Children's Collective, Inc., 5870 W. Jefferson Blvd, 90016	387,171	387,171									Area of operation is regional. May qualify if geographic requirement is broadened.
13 Children's Bureau Of Southern California, 3910 Oakwood Ave, 90004	387,171			387,171			774,342				
13 El Centro Del Pueblo, 1157 Lemoine Street, 90026	387,171		387,171								
14 El Centro De Ayuda, 2130 E. 1st St, 90033	387,171	387,171									
15 Toberman Settlement House, Inc., 131 N. Grand Av, 90731	387,171	387,171									
15 Watts Labor Community Action Committee 10950 S. Central Av, 90059	387,171			387,171							
19 New Economics For Women, 303 S. Loma Dr, 90017	387,171		387,171				4,646,052				
Sub-Total (FDN)	4,646,052	1,161,513	1,161,513	2,323,026							
Human Services Delivery System - Reserve	3,195,434									3,195,434	
CW Individual Development Account Los Angeles Program: Community Financial Resource Ctr., 4060 S. Figueroa St., 90037	252,000			252,000			252,000			252,000	Agency did not apply due to citywide area. Not eligible as financial institution.
	252,000			252,000			252,000				
CW LA Bridges II gang intervention Program - 12 months	144,648	36,162		108,486			72,324		895,766		PS funds used to off-set ineligibles. CAO/CIA Represents 12 months' funding.
1 PHEE Management Solutions, 3516 N. Broadway, 90031	36,162			36,162			72,324				Agency is a national organization and area of operation is City-wide; therefore, not eligible. Agency did not apply.
7 Communities in Schools, 8743 Burnett Avenue, 91343	36,162			36,162			72,324				Agency must amend governing documents to specify economic development activities; Board composition is also an issue.
13 Soledad Enrichment Action, Inc. 222 N. Virgil Ave., 90004	36,162			36,162			72,324				Agency's area of operation is City-wide; must also address board composition issues.
15 Toberman Settlement House, 131 N. Grand Ave., San Pedro, 90731	36,162	36,162									
Sub-Total	144,648	36,162		108,486			216,972				
9,14 LAHSA Special Economic Development Opportunities	2,333,000	2,333,000					4,333,000				New RFP recently completed.
LAHSA - Workforce Center / Job Training and Placement	500,000	500,000					500,000				
LAHSA - Workforce Center / Job Training and Placement	500,000	500,000					500,000				
CW Office of Community Beautification	906,363	906,363					906,363				
8 People Who Care Youth Center, 1500 W. Slauson Ave, 90047	200,000	200,000									
1 Central City Action Committee	219,500	219,500									
Sub-Total	419,500										
9,11 Playa Vista Jobs L.A. - CONTRACTING AGENCY -	250,000			250,000					250,000		
11 PV-Jobs, 12555 Jefferson Blvd., 90066	250,000		250,000								
8 Rita Walters Learning Complex:	969,612	969,612					969,612				
10 The Children's Collective, Inc., 5870 Jefferson Boulevard, 969,612	969,612	969,612									
10 Youth Media Technology Training (The Media Aid Center) -	50,000	50,000					50,000				
10 Media Aid Center, 7862 Western Avenue, 90047	50,000	50,000									
SUBTOTALS	\$17,882,704	\$10,583,758	\$3,120,705	\$4,178,241	\$10,785,999	\$4,282,217	\$15,068,216	\$4,752,175	\$2,640,371	\$4,282,217	\$4,623,347
CBDO Reserve - Expanded											
CBDO Reserve - Unallocated											
TOTALS	\$17,882,704	\$10,583,758	\$3,120,705	\$4,178,241	\$10,785,999	\$4,282,217	\$15,068,216	\$4,752,175	\$2,640,371	\$4,282,217	\$4,623,347

**33rd Program year Consolidated Plan
Neighborhood Facility Repair – CDD-Managed Buildings**

Site Name	Address	Facility Use	Bldg Age	CD
Aliso-Pico Multipurpose Center	1505 E. First St., Los Angeles, CA 90033	Child Care, Youth	51	14
Arroyo Vista Family Health Center	6000 N. Figueroa St., Los Angeles, CA 90042	Health Care Facility	56	14
Bobbie Andelson Youth Home	736 S. Cloverdale Ave., Los Angeles, CA 90036	Group Home	?	4
Boys & Girls Club of Echo Park	305 Patton St., Los Angeles, CA 90026	Boys and Girls Club	18	1
Boys & Girls Club of San Fernando Valley	11251 Glenoaks Blvd., Pacoima, CA 91331	Boys and Girls Club	?	7
Bradley/Milken Family Youth Center	1773 E. Century Blvd., Los Angeles, CA 90012	Youth Center	15	15
Career Planning Center	1623 S. La Cienega Blvd., Los Angeles, CA 90035	Educational Counseling Employment Services	49	5
Childhelp, Inc.	1345 El Centro Ave., Hollywood, CA 90028	Information - Child Care	?	13
Children's Collective Child Care	3817 S. San Pedro St., Los Angeles, CA 90011	Child Care Center	23	9
Community Coalition for Substance Abuse Prevention and Treatment, Inc.	8101-8113 S. Vermont Ave., Los Angeles, CA 90044	Substance Abuse Facility	76	8
Crenshaw Sr. Citizens= Multipurpose Center	5133 Crenshaw Blvd., Los Angeles, CA 90043	Senior Citizen Center	54	8
Delta Sigma Theta Sorority, Inc.	2528 West Blvd., Los Angeles, CA 90037	Senior Citizen Center	17	10
Early Learning Center, Inc.	233 N. Breed St., Los Angeles, CA 90031	Child Care Center	14	14
East 60th Street Youth Center (vacant lot)	5871 Wall St., Los Angeles, CA 90011	Youth Center	N/A	9
E. L.A. Youth Opportunities Movement Center	1600 E. 4 th St., Los Angeles, CA 90033	Youth Technology Center	92	14
Echo Park Child Development Center	1010 Douglas Ave., Los Angeles, CA 90026	Child Care Center	25	1
Echo Park/Silverlake People=s Child Care Center	1953 Lake Shore Ave., Los Angeles, CA 90039	Child Care Center	82	13
EI ARCA	3839 Selig Pl., Los Angeles, CA 90031	Child Care/Disabled	26	1
Estelle Van Meter Multipurpose Center	606 E. 76th St., Los Angeles, CA 90001	Community /Senior Center	59	9
Fire Station #44 - CYPRESS PARK YFC	929 Cypress Avenue, Los Angeles, CA 90665	Community Center	81	1
Fire Station #68 - W. LA YFC	5213 W. Pico, Los Angeles, CA 90031	Community Center	4	10

**33rd Program year Consolidated Plan
Neighborhood Facility Repair – CDD-Managed Buildings**

Site Name	Address	Facility Use	Bldg Age	CD
Fire Station #70	3516 North Broadway, Los Angeles, CA 90031	Family Youth Center	69	1
George and Helen Thomas	2475 Washington Blvd., Los Angeles, CA 90019	Sr. Citizen Center	50+	10
Good Beginnings Family Opportunity Center	1839 S. Hoover St., Los Angeles, CA 90015	Child Care Center	26	1
Hilltop Nursery School (modular buildings only)	3625 Marathon St., Los Angeles, CA 90026	Nursery School	20	13
Hollenbeck Youth Center (land only)	2015 E. 1st St., Los Angeles, CA 90033	Youth Center	N/A	14
Hoover Intergenerational Child Care Project	3216 S. Hoover St., Los Angeles, CA 90007	Child Care Center	15	8
Jardin de Niños I	2422 Manitou Ave., Los Angeles, CA 90031	Child Care Center	85	1
Jardin de Niños II	2418 Manitou Ave., Los Angeles, CA 90031	Child Care Center	15	1
Kedren Community MHC	710 E. 111th Pl., Los Angeles, CA 90059	Pre-School Program	?	15
Little Friends Child Development Center	707 E. Kensington Blvd., Los Angeles, CA 90026	Child Care Center	69	1
Los Angeles Men's Place	526 S. San Pedro St./527 S. Crocker St., Los Angeles, CA 90012	Homeless Shelter	88	9
Low Income United Community Assistance Project, Inc	641 Westminster Ave, Los Angeles, CA 90291	Sr. Citizen Center	?	6
Lucille Beserra Roybal YFC	2130 E. 1 st St., Los Angeles, CA. 90033	Youth Center	77	14
Milestone Center for Education Therapy	5070 Slauson Ave., Los Angeles, CA 90230	Child Care	?	8
Mini-Twelve Step House	1143 W. 37th St., Los Angeles, CA 90007	Residential Care/Women=s Shelter	60	8
Old Venice Library (Vera Davis McClendon CSC)	610 California Ave., Venice, CA 90210	Targeted Community Service Center	75	11
Pacoima Community Center	11243 Glenoaks Blvd.-Pacoima, CA 91331	Community Center	24	7
Placita de Niños	2661 Pasadena Ave., Los Angeles, CA 90031	Child Care Center	27	1
Rita D. Walters Learning Complex for Family & Community Development (aka YOU)	915 W. Manchester Ave. and 932 W. 85 th St., Los Angeles, CA 90044	Alternative High School/Child Care	3	8
Seinan Senior Citizens Center	3116 W. Jefferson Blvd., Los Angeles, CA 90018	Senior Citizen Ctr	21	10
S.W. Museum Station Community Services Center	4601 N. Figueroa St., Los Angeles, CA 90042	Child Care Center	100	1

**33rd Program year Consolidated Plan
Neighborhood Facility Repair – CDD-Managed Buildings**

Site Name	Address	Facility Use	Bldg Age	CD
aka Ziegler House				
Stone House Arts Center (C.A.D.)	8636/8642 Sunland Ave, Los Angeles, CA 91352	Youth Arts Center	80	6
University Muslim Medical Association (UMMA)	711 W. Florence Ave., Los Angeles, CA 90044	Outpatient/Medical Clinic	5	9
Watts Y.O. Program Bldgs	1501-1513 E. 103rd St., Los Angeles, CA 9002	Youth Center	75	15
Westminster Neighborhood Association (Watts Neighborhood Facility, aka Robert Pitts Center)	1827 E. 103rd St., Los Angeles, CA 90002	Community Center	59	15
Westside Center for Independent Living	12901 Venice Blvd., LA 90066	Services to Disabled	?	11
Wilmington Sr. Citizens Multipurpose Center	1148 N. Avalon Blvd., Wilmington, CA 90744	Sr. Multipurpose Center	?	15
WLCAC Greater Watts Child Care Center	1212 E. 108th St., Los Angeles, CA 90059	Child Care Center	29	5
Youth Fair Chance (aka Central City Neigh. Partners)	404 S. Bixel, Los Angeles, CA 90017	Community Youth Center	46	1

33rd PY Consolidated Plan

Potential Block Grant Investment Fund Projects

Project/Description	CD
Central-Slauson Retail Plaza	9
Project will facilitate the cleaning of a currently contaminated brownfields site, create a safe, modern and attractive community-serving commercial facility in place of the current blighted land use. Funds are needed to relocate a business from its current location.	
Valley Plaza Shopping Center	2
Development of approximately 850,000 sq ft of retail space and office space, 5,000 parking spaces, and related streetscape improvements. The proposed project will include major anchor retailer, a new cinema complex, restaurant, specialty retail and parking. Included in the scope of the project is the relocation of the portion of Valley Plaza Park located behind the existing plaza.	
54th Street and Crenshaw Boulevard	8
Mixed-use commercial and residential development. Funds are needed for land acquisition for future development including housing, 30,000 square feet retail and parking.	
E&C Fashions	14
The funds will be used for street improvements for the expansion of E&C Fashion's 130,000 square feet jean manufacturing facility in I. Los Angeles. The Site is estimated to create an additional 250-300 employees.	
Wattstar Theatre	15
The Theater will create economic opportunities for local residents seeking job training and/or a job at the theater in the film industry.	
Adams-La Brea	10
New Urban Village on the north side of Adams Boulevard extending from La Brea to Redondo. The Development will have approximately 250,000 square feet of retail, which is anticipated to create at least 250 living wage jobs with employment opportunities for community residents.	
Crenshaw Gateway	10
CRA and private developer planning a mixed-use project of affordable housing for seniors and retail services on an entire block in South Los Angeles. Project eligible for acquisition funds in the South Los Angeles Investment Fund.	
Westlake Theater	1
Purchase of historic Westlake Theater, on a voluntary basis, for redevelopment purposes to facilitate development and remove blight.	
Vermont Manchester SC	8
A minimum of 80,000 square feet of retail space planned for a four-acre site in Council District 8.	
Broadway Manchester SC	8
Development of a six-acre site in Council District 8 to establish a mixed-use community shopping center.	
Marlton Square	8
Funds for the development 119,000 square feet of retail in Council District 8. Project being developed in connection with the Buckingham Place Senior Center Development.	
LA Design Center	8
Expansion of commercial and light industrial uses along Western Avenue Industrial Corridor, including the expansion of existing furniture retail, showrooms and manufacturing.	

Council District CDBG Requests

The list below identifies unfunded requests from Council District Offices.

CD	Project Name	Contracting Entity	Request	Public Service	Remarks
6	Sun Valley Rec Center - Pool	Rec and Parks	\$100,000		Security lighting around the pool and replacement of flooring in the lobby area of bathhouse
7	Pacoima Town Center	CDD/EDD	\$200,000		Revitalize the Pacoima Town Centre to attract/retain businesses. Funds will be used to oversee/establish a Commercial Facade Program. Use of Funds:the costs of rehab, restoration and remodeling of existing storefronts, signage, awning, architectural features, & landscaping.
7	Pacoima Business Incubation Program	CD #7	\$246,430		This project entails a business incubator that will provide existing and emerging businesses with technical assistance, management skills, training, access to capital and workforce development assistance.
7	Jeopardy Building Improvements	General Services Department	\$6,593,000		This project entails a business incubator that will provide existing and emerging businesses with technical assistance, management skills, training, access to capital and workforce development assistance.
9	Maple Intermodal Parking Structure		\$390,000		Funding requested by Motion (C.F. 05-2411-S1) to assist with a funding shortfall to allow for the project to be completed. CDD has determined that the project is ineligible for these funds, because the project does not create enough jobs.
10	Washington Blvd. Median Project	BOSS	\$500,000		Street improvements on Washington Boulevard.
10	Rancho Cienega Rec Center - Sports Field	Rec and Parks	\$215,000		Replace existing turf with a synthetic turf field for use by both soccer and football entities.
13	Armenian Cultural Foundation	Armenian Cultural Foundation	\$50,000		Funds requested to pay for improvements in the organization's improvements. CDD reports that this activity is ineligible.
13	Armenian Relief Society	Armenian Relief Society	\$50,000	X	Funds to assist the agency with operating costs associated with economic development and social services. Activity is a public service.
13	Aztec Rising Brush Clearance Jobs Program	Aztec Rising	\$144,000	X	Funds requested for training for brush clearance for former gang members in Council District 13. Job Placement to be provided in partnership with City Worksource Centers, LA Fire Department, State Department of Forestry and Fire Protection. Activity is a public service. Agency not a certified CBDO.
13	Aztec Rising Fire Academy	Aztec Rising	\$152,000	X	Job training in fire fighting provided in collaboration with a community college. Activity is a public service. Agency not a certified CBDO.
13	Greening and Growing Small Businesses	CDD/EDD	\$75,000		Funds requested to provide assistance to businesses seeking to implement environmentally sustainable practices. CDD reports that this is not an eligible use of CDBG funds.
13	Hollywood PATH - Scattered Sites	PATH	\$350,000	X	Funds requested for scattered site housing in Hollywood for homeless individuals and families. Funds would pay for master leases of 20 units. Activity is a public service.
13	Hollywood PATH - Full funding for shelter	PATH	\$225,000	X	Funds requested to contribute to the full operating costs of the Year Round shelter in Hollywood (project provided with \$500,000 in this year's plan). Activity is a public service.
14	Alexandria Hotel	CRA	\$2,000,000		Funds requested to purchase affordability covenants for the Alexandria Single Room Occupancy Hotel. CDD has indicated that this project is not eligible for CDBG funds. Funds may provided in HOME, pending verification of environmental clearances.
14	Boyle Heights Constituent Center	GSD	\$1,500,000		Funds requested for improvements at the Boyle Heights Constituent Center. Activity is eligible.

Contractor : _____ (*LEGAL NAME OF AGENCY*)

Project Title : _____ (*as Council or ConPlan authorized*)

Los Angeles City Council File Number: _____ (*from funding authority*)

Agreement Number _____ (*ASSIGNED BY CITY CLERK*) of City Contracts

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AGREEMENT NUMBER (per City Clerk) OF CITY CONTRACTS

BETWEEN
THE CITY OF LOS ANGELES
AND
THE _____ (agency legal name) _____
RELATING TO
THE (COUNCIL AUTHORIZED PROJECT NAME) PROJECT

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

W I T N E S S E T H

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 Community Development Department (CDD) 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 _____ dated _____ authorized a total of \$ _____ in funding for the project; 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;

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

A G R E E M E N T

I. INTRODUCTION

§101. Parties to the Agreement

The parties of this Agreement are:

1. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, California 90012.
2. The Contractor, a nonprofit institution incorporated under the laws of the State of California and known as (LEGAL NAME)

Having its principal office at (AGENCY ADDRESS)

§102. Representatives of the Parties and Service of Notices

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

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

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

With copies to:

Laura Ito, Director
Administrative Services Division - Neighborhood Development

The City's representative (or designee) as stated above is the party to whom Contractor shall forward all documents, reports and records as required by the Agreement for the submitting to or the reviewing of "City", and is the party authorized to provide written approvals by City to Contractor in reference to matters addressed in this Agreement.

2. The representative of the Contractor shall be:

(OBTAIN FROM CERTIFICATION OF AUTHORITIES &
VERIFY WITH AGENCY)

3. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.
4. If the name of the person designated to receive the notices, demands or communications, or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) working days of said change.

§103. Time of Performance

The term of this Agreement shall commence on _____

and end one (1) year hereafter, and any additional period of time as is required to complete any necessary close-out activities, and provided that said term is subject to the provisions of the general terms and conditions as detailed in §601 through §745 of this Agreement. Performance shall not commence until the Contractor has obtained the City's approval of all insurance as required by City (see Exhibit I - Insurance Requirements, attached hereto and incorporated herein by reference, and §701 - Indemnification and Insurance). If non-City grant funds are used herein, performance shall not commence until the date of release of funds for this Agreement by the grantor of the non-City funds.

The City may, at its discretion, agree to extend this Agreement for one additional period of one year. Funding for Agreement extensions will be based on the availability of Federal funds remaining in this Agreement and upon the Contractors' successful performance of all terms of this Agreement. Such an extension must be effectuated by an amendment to this Agreement.

§104.

Conditions Precedent to Execution of this Agreement

Prior to the execution of this Agreement, the Contractor shall provide the City with copies of the following documents:

1. Contractor's Articles of Incorporation, and all amendments thereto, as filed with the Secretary of State.
2. Contractor's By-Laws, and all amendments thereto, as adopted by the Contractor and properly attested.
3. Resolutions or other corporate actions of the Contractor's Board of Directors, 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.
4. Affidavit regarding MBE/WBE.
5. Board of Director's List.
6. Non-Collusion Affidavit, if applicable.
7. Organizational Chart of project.
8. Resume of key staff.
9. Proof of insurance as required by the City in accordance with Section 701 of this Agreement and attached hereto as **Exhibit I** and made a part hereof.
10. A Certification Regarding Debarment, in accordance with §720, attached hereto as **Exhibit II** and made a part hereof.
11. A Certification and Disclosure Regarding Lobbying, in accordance with §725, attached hereto as **Exhibit III** and made a part hereof.
12. A current and valid license to do business with the City of Los Angeles.
13. An Internal Revenue Service taxpayer identification number.
14. An approved City of Los Angeles Affirmative Action plan in accordance with §729.
15. EXEMPTION from Living Wage Ordinance attached hereto as **Exhibit IV** and made a part hereof, if applicable.

16. A Notice of Prohibition Against Retaliation in accordance with Section 737 of this Agreement and attached hereto as **Exhibit V** and made a part hereof. Contractor shall post, at the project site, said notice, which shall incorporate the language set forth in **Exhibit V** in its entirety.
17. Determination-Compliance with Equal Benefits Ordinance and Slavery Disclosure Ordinance, attached hereto as **Exhibit VI** and made a part hereof.
18. "Responsibility Questionnaire in accordance with the Contractor Responsibility Ordinance (see Section 743 of this Agreement)."

II. DUTIES AND POWERS OF THE CONTRACTOR

§201. Independent Contractor Status

The parties agree that the performance of Contractor's services hereunder shall be in the capacity of an independent Contractor and that no employees of the Contractor have been, are, or shall be employees of the City by virtue of this Agreement, and the Contractor shall so inform each employee organization, each employee, and, if applicable, each collaborating subcontractor agency hired or retained under this Agreement.

§202. Contractor Agreements

- A. The Contractor shall submit to the City a list of all grant or funding agreements entered into between the Contractor and other public or private organizations concerning the activities funded under this Agreement and of any termination, default, suspension or disallowed costs under said funding agreements. The Contractor shall inform the City in writing of all new sources of funding the Contractor may acquire during the term of this Agreement concerning the activities funded under Agreement.
- B. A copy of any of the above agreements shall be furnished to the City upon its request.

§203. Services to be Provided by the Contractor

(INSERT A BRIEF, GENERAL STATEMENT OF THE NAME AND PURPOSE OF THE PROJECT AND RESULTING PROGRAM, e.g., renovation of a building that will annually serve _____ clients _____ days per week from _____ am to _____ pm at (address)).

A. Identification of Project Eligibility/National Objectives

- 1. This project is eligible under 24 CFR as follows (indicate all appropriate letters and sub-numbers, project may be eligible under several criteria):

201 (a-1) _____	204 (a-c) _____
202 (a-e) _____	205 (a-b) _____
203 (a-b) _____	206 (a-g) _____

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

- a. _____ Activities benefiting very low and low income persons under 24CFR 570.208 (a)
 - 1) _____ Area-wide benefit project affecting _____ percent very low and low income persons as indicated in the 2000 census.
 - 2) _____ Limited-Clientele activities: 570.208(a)(2) A __; B __; C __; D __

- 3) _____ Housing activities
 - 4) _____ Job Creation/Retention activities that are designed to create or retain jobs for at least 51% very low and low income persons.
 - b. _____ Activities which aid in the prevention or elimination of slums or blight, under 24 CFR 570.208 (b).
 - 1) _____ Activity is located in a slum or blighted area, which has been (check one):
 - _____ designated as a Redevelopment Project Area;
 - _____ approved by the CDC as a Slum or Blighted 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 of slums or blight.)
- 2) _____ Activity is located outside a slum or blighted area, but qualifies under spot slum and blight conditions.
 - 3) _____ Activity will address slum or blight in an urban renewal/redevelopment area.
- c. _____ Activities designed to meet community development needs having a particular urgency, under 24CFR 570.208 (c).

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
 - c. Construct a new facility
 - d. All specific activities contained in Subsection C, Specific Requirements of the Contractor.
- 2. The Contractor shall use the funds provided in this Agreement as defined herein. 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.

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 use of standard AIA (American Institute of Architects) Agreement B 141 between the Owner and Architect and between the owner and General Contractor (AIA) A101 shall be used. 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 §710 through §745 of 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 expeditiously submitted to various

governing or regulatory bodies to avoid delays in completing the general requirements of this Agreement.

- 3. Require the Architect and/or the General contractor to identify and provide corrective action on those issues or barriers which impede or delay the completion of the General Requirements of the Contractor, as defined in this Agreement; and notify the City, in writing, within ten (10) working days of discovering those issues or barriers, and providing a corrective action plan of resolution with sub-activities and milestone completion dates.
- 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 Requirement 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 General Contractor agreements to carry-out the responsibilities of the "Owner" in those agreements.
- 6. Assure that the Architect prepares the proposed plans so that construction can be completed within the available construction budget.

D. Description of Real Property

The real property and improvements to be affected by this agreement are located at _____ and is further described as:

(INCLUDE LEGAL DESCRIPTION)

E. SPECIFIC requirements of Construction/Renovation/Rehabilitation

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

- a. _____
- b. _____
- c. _____
- d. and other related activities.

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. Service Repayment/Promissory Note

Prior to the release of any funds under this Agreement, the Contractor shall execute a Promissory Note secured by a Deed of Trust with the power to sell the previously described real property in favor of the City of Los Angeles for an amount of (Council Authorized) dollars (\$_____), or the Contractor shall execute a Lease Agreement secured by a Conditional Consent to Assignment of Lessee's Interest in Lease with the power to assign the Contractor's interests in the lease to the City of Los Angeles for the amount of (COUNCIL AUTHORIZED) dollars (\$_____). Upon execution, the Promissory Note and Deed of Trust or Conditional Consent to

Assignment of Lessee's Interest in Lease shall be recorded with the Office of the Los Angeles County Recorder.

The Promissory Note shall be repaid in the following manner:

1. SERVICE PAYBACK

(SAME AS ABOVE) Dollars (\$ _____) shall be repaid with services monitored by the City's Community Development Department, Human Services and Family Development Division. Said services and reporting requirements relating thereto are detailed in §203 and §601, respectively, of the Agreement. The Promissory Note shall be amortized at the rate of Forty Thousand Dollars (\$40,000) per year for (SAME AS ABOVE Divided By \$40,000) years. However, in accordance with 24CFR570.503(b) (7), the service payback period shall be a minimum of five (5) years, as long as the Contractor is performing the services required pursuant to this Agreement. The City will not terminate its interest nor relinquish title in the real property described above until the service payback has been completed. Said amortization shall commence when the Contractor obtains a Certificate of Occupancy and/or records a Notice of Completion and begins utilizing the (type of facility, i.e., child care, senior center, etc.) to fulfill its service obligations as identified in this Agreement.

The contractor may purchase the City's interest at any time for the current market value in accordance with 24CFR570.503(b) (7).

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 reconvey the aforesaid Deed of Trust or reassign the aforesaid Conditional Consent to Assignment of Lessee's Interest in Lease to the Contractor.

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 I 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.

G. Acquisition

Prior to making an offer to purchase real property, the Contractor shall determine the costs of acquiring the property by having the property appraised.

The Contractor shall select at least one (1) appraiser that is State certified or that is included in the City's list of approved appraisers. Contractor must enter into an appropriate subcontract for the appraisal. The City's approval is required prior to entering into the subcontract.

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.

If relocation is required, the costs of such relocation shall be paid from the funds provided through this Agreement. Relocation shall be conducted in compliance with pertinent federal, state and local requirements.

H. Subcontracting For Architectural Services

1. The Contractor shall select an architect licensed by the State of California to:

a. (AGENCY AND ANALYST TO COMPLETE USING AIA ARCHITECT AGREEMENT FORM AS

b.

2. The Contractor shall adhere to the competitive bid requirements for the selection of the Architect as defined in §711 through §713 of this Agreement. City's approval is required prior to entering into an agreement for architectural services between the Contractor and the Architect.

If the Contractor has already selected and entered into an agreement with an Architect prior to the execution of this agreement, and Contractor paid the Architect with its own funds, no further City approval is required provided that no City funds will be utilized. Should matching funds or HUD funds be used to partially or fully fund this agreement, the Contractor shall provide proof of compliance with bid requirements and the City must approve such process and must review and approve such agreement.

The subcontract shall require the selected architect to provide services including, but not limited to, the following:

- a. Providing the basic architectural services as delineated in the standard AIA agreement including plans, schematics, specifications, working drawings, construction documents, bid package and provision of any additional architectural services as delineated in the final agreement.
 - b. Securing the Contractor's approval as well as the City's approval of the schematic design, plans, and construction documents including specifications, instructions and estimated cost.
 - c. Submitting the required design drawings and other documents to the City for review and approval, and making the required modifications as required by the City for approval.
 - d. Preparing the bid package for construction/renovation to include plans, specifications and bidding instructions to respective bidders utilizing required City forms and instructions.
 - e. Assisting the Contractor by preparing applications and securing all required building permits and other required documents for submission to City.
 - f. Informing the Contractor and City of the progress and quality of work including providing the City copies of the architect's field reports within five (5) working days of field visits.
 - g. Preparing Change Orders and Construction Change Directives with supporting documentation and data if deemed necessary for the Contractor's and City's approval and execution.
 - h. Conducting a minimum number of meetings required by and with the Contractor as established in the architect's agreement.
3. The subcontract shall require the selected architect to maintain a minimum of \$1,000,000 in errors and omission insurance with a twelve (12) month recovery period and must submit evidence of same for verification prior to the execution of the Contractor Agreement with the Architect.
 4. The subcontract shall require the selected architect to insure that the design documents prepared meet all applicable requirements of the federal, state and local government agencies. The selected architect shall insure that the proposed plan does not exceed the cost of the construction budget provided for in this Agreement. In the event that construction bids are higher than the budgeted amount, the architect shall be required to modify the plans such that

bids may be obtained from licensed reputable contractors for the budgeted amount. The modifications shall be made at architect's own expense.

I. Bidding and Construction

1. Upon receipt of a bid package approved by the City, the Contractor shall advertise for the solicitation of bids for a minimum of fifteen (15) days. The advertisement shall appear in appropriate publication (s).
2. Bids shall be opened at a public bid opening meeting as stipulated in the advertisement. The bid opening shall be conducted by the Contractor and attended by the architect, bidders, and a City representative.
3. The Contractor shall select the lowest responsive and most responsible bidder and forward the bidder's name, address, California Contractors license number, and its list of subcontractors to City for necessary HUD and City approval prior to the award of the construction contract.
4. Prior to and/or during the length of this Agreement, the Contractor shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy, or for permanent changes in the existing facilities.
5. Upon receipt of City approval, the Contractor shall enter into a Construction Agreement as delineated in the Standard AIA Agreement with the approved General Contractor. The Construction Agreement, together with the necessary Performance, Labor and Material bonds, Insurance and other required documents, shall be forwarded to City for approval prior to scheduling the pre-construction conference.
6. Upon City approval of the construction agreement, Contractor shall schedule a pre-construction meeting to enable City to explain the Federal Regulations and Reporting Requirements to the General Contractor and its sub-contractors. The City will then authorize the Contractor to issue the Notice to Proceed.

Upon City approval of the Construction Agreement, the General Contractor shall be required to submit the following documents to the Contractor, Architect, and City:

- a. Construction work schedule
 - b. List of subcontractors and persons or entities who will furnish materials or equipment. (A prompt reply to the General Contractor is expected of the Contractor, in writing, stating whether or not the Contractor or its Architect, after due investigation, has reasonable objection to any such person or entity).
 - c. Reports regarding Minority and Women's Business Enterprise, Equal Employment Opportunity Officer, and certifications by the General and Subcontractors of Compliance.
 - d. List of job classifications to be utilized on the project.
7. During the term of the construction agreement, the Contractor, with the cooperation of the General Contractor, shall, within ten (10) working days after the close of the workweek, submit to the City all certifications, weekly payroll forms, employment utilization forms, code inspection reports and sign-off, and other related documents as required by the City and/or the Department of Housing and Urban Development (HUD). It is understood that failure to adhere to the reporting requirements may delay processing of requisitions and release of construction funds.

8. 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 City a completion report which shall contain, at minimum, the following:
- a. Certification from the applicable governmental agencies that the work was performed per required codes.
 - b. A statement indicating the use of the contract funds.
 - c. A statement that the contracted work has been completed generally in accordance with the plans and specifications previously approved by the Department of Building and Safety.
 - d. Submission of recorded, unconditional lien releases from all subcontractors that performed construction activities and from suppliers and firms from which materials were purchased.
 - e. All warranties, guarantees, service agreements, certifications, operational instructions, and manuals and other pertinent documents as required by the plans and specifications.

J. PREVAILING WAGE REQUIREMENTS

The Contractor shall cause all the Contractor's subcontractors to pay the higher of 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 as those wages are determined pursuant to the Davis-Bacon Act (40 USC 276a-7) (29 CFR, Part 5.0) and related Federal Acts. The Contractor shall and shall cause all the Contractor's subcontractors to comply with the other applicable provisions of the State Labor Code Sections 1720 et seq. and implementing regulations of the State Department of Industrial Relations. The Contractor shall and shall cause 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 by applicable federal laws and regulations. Copies of the currently applicable current 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 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 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 property.

K. City's Interest in the 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, Section 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/ConPlan) services between the hours of _____ and _____, Monday through Friday, for a period of _____ from the date that the agency is issued a Certificate of Occupancy or Notice of Completion, to serve a minimum of _____ eligible City residents per month.

2. The (SAME AS ABOVE) 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 reports of the activity on City approved reporting format, and which shall be due on the tenth (10th) day of the calendar month following the end of the preceding quarterly period:

a. The number of _____ served per quarter during the reporting period and their ethnicity.

b. The number of _____ served during the reporting period who are low and moderate income.

c. The types of _____ 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 _____ service and, if any, a corrective action plan including costs, tasks, and timetables.

e. Status of any program modifications previously approved in the aforementioned _____ service (s) 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 bi-lingual 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 shall also provide a written policy to City detailing procedures for assuring that the shelter residents are free from the 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 of such modifications.

L. 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. 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 and interest to the above described real property by duly reconveying or reassigning and properly recording such reconveyance or reassignment.
2. Relinquish the Contractor of further reporting requirements.
- 3.
- 4.

M. Volunteers

Contractor must receive prior City approval for use of volunteers in conducting acquisition or construction-related activities provided for in this Agreement. Such use shall be subject to all federal, state and local laws and regulations and other restrictions as determined by the City.

N. Accounting Services

The Contractor shall maintain records for every expenditure incurred directly or indirectly by this Agreement and shall include, but not be limited to, documentation of all budgeted expenditures, e.g.: time cards, requisitions for payment, rentals, leases, invoices and any other documents pertinent to the expenditures. In addition, a log of all expenditures by line item shall be maintained by the Contractor. Such records shall be maintained in a file and be made available for examination in accordance with §602, Maintenance of Records, and §603, Audits and Inspections.

O. Equipment Accountability

The Contractor shall assure that all non-expendable equipment purchased with funds provided by previous Agreements between the City and the Contractor, and any subsequent amendments thereto, and all such equipment having a City identification decal affixed to it and listed on the City's equipment inventory record card, together with all non-expendable equipment purchased under the terms of the Agreement, shall remain under the control of the Contractor during the term of this Agreement and shall be accounted for in accordance with the provisions of §604, Equipment Records.

P. Attendance at City Meetings and/or Training Sessions

The Contractor shall be required to attend all meetings and/or training sessions as identified by the City. The Contractor may be excused from attendance only by prior written consent of the City.

III. DUTIES OF THE CITY

§301. Compensation

- A. The City shall pay to the Contractor an amount not to exceed (COUNCIL AUTHORIZED) Dollars (\$_____) for complete and satisfactory performance of the terms of this Agreement, subject to the provisions of this Agreement. The following compensation is the total of the planned expenditures for the period _____ through _____, as set forth by the City approved Expenditure Plan in Attachment I, which is incorporated herein by reference, with funding as follows:

_____ HCDBG Funds -	\$ <u>(SAME AS ABOVE)</u>
12 Months Total Project Costs	- \$ <u>(TOTAL PROJECT COST)</u>

- B. Funding as set forth 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 the City reserves the right to change the amount of Compensation set forth herein accordingly. Funding for all periods of this contract is subject to the continuing availability of federal funds for this program to the City. The contract may be terminated immediately upon written notice to the Contractor of a loss or reduction of federal grant funds.
- C. The City assumes no responsibility to pay for salaries or other expenses not specifically enumerated in this Agreement and as detailed in the City approved Expenditure Plan for this Agreement. It is understood by both parties that the City makes no commitment to fund this project beyond the term of this Agreement.
- D. The Contractor shall report to the City all other funding sources that supplement or augment activities set forth by this Agreement.
- E. Contractor warrants that any applicable discounts have been included in the costs to the City.

IV. METHOD AND TIME OF PAYMENT

\$401. Payment to the Contractor

The Contractor shall be reimbursed for expenses authorized under the terms and conditions of this Agreement, subject to the availability of funds for this project and subject to all other provisions of this Agreement.

\$402. 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.

\$403. Return of Unexpended Funds and Close-outs

- A. The Contractor shall, either upon completion or termination of this Agreement, immediately return any unexpended funds to the City Treasury; in no event later than forty-five (45) days after completion or termination of this Agreement. Funds advanced by the City, determined by the City to be in excess of the amount actually required, shall also be immediately returned 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 forty-five (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 in Section \$503-508 of this Agreement.

\$404. 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.

\$405. Deposit, Utilization, and Commingling Funds

- A. Funds paid to the Contractor pursuant to this Agreement shall be deposited only in the bank or banks approved by the City and shall be insured fully and continuously.

All interest income earned on such funds shall accrue to the City for the benefit of the Grantor and be reported in compliance with this Agreement.

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

\$406. Funding Reduction

- A. During the performance of this Agreement, the City shall have the authority to review the Contractor's actual project expenditures and work performance. Should the City determine that the Contractor is in noncompliance with any contractual obligations, the City shall, at its discretion, take appropriate action as provided by this Agreement.
- B. In the event that non-City grant funds are reduced, suspended or terminated by the Grantor, the City reserves the right to reduce, suspend or terminate the funds provided by this Agreement accordingly.

\$407. Allowable and Unallowable Costs

- A. To be eligible for payment under this Agreement, costs must be made in compliance with Office of Management and Budget Circular (OMB) A-122, 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 the City-approved Expenditure Plan, Attachment I of this Agreement. The City shall have final authority to determine in good faith whether an 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 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 Office of Management and Budget Circulars (OMB) A-87 and A-122
- 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 lobby 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 borrowings (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith.
 6. Membership Expenses: Costs of membership in any organization which devotes a substantial part of its activities to influencing legislation.
 7. Travel: The difference in cost between first-class air accommodations and less-than-first-class air accommodations are not available.
 8. Meeting Attendance: Costs of attending meetings directly related to the performance of this Agreement which are not open for attendance on a non-segregated basis.
 9. Non-competitive Subcontracts: Payments under a subcontract not obtained under competitive bidding procedure, unless specifically waived by the City.
- D. Advancements or reimbursements for expenditures which are determined by the City to be unallowable must be immediately returned to the City.

V. REMEDIES

\$501. Amendments

Either party may request an amendment to this Agreement. Amendments to this Agreement must be in writing and properly executed by both the City and the Contractor. The Contractor agrees to comply with all future City Directives, or any rules, amendments or requirements promulgated by the City affecting this Contract.

\$502. Waivers

- A. Waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Contractor.
- B. No waiver by the City of a breach of any provision of these conditions shall be deemed for any purpose to be a waiver of a breach of any other provision hereof, or of a continuing or subsequent breach of the same provision.

\$503. Defaults

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

- 1. Reduce the total budget;
- 2. Make any changes in the general scope of this Agreement;
- 3. Place the Contractor on probation status in accordance with \$504 of this Agreement;
- 4. Suspend project operations in accordance with \$505 of this Agreement; or
- 5. Terminate the Agreement.

\$504. Probation

- A. The City may place the Contractor on probation for failure 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 period of probation, the reason for probation, and the specific conditions of non-compliance.
- C. Within five (5) working days the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.

\$505. Suspension

- 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 which 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 §701 (Insurance) in Part II of this Agreement. Performance shall not resume without the prior written approval of City.

§506. Termination

- A. The parties agree that at any time during the term of this Agreement the City may terminate this Agreement or any part hereof upon giving the Contractor at least thirty (30) days written notice prior to the effective date of such termination, which date shall be specified in such notice.
- B. All property, documents, data, studies, reports and records purchased or prepared by the Contractor under this Agreement shall be disposed of according to City directives.
- C. In the event that the Contractor ceases to operate (i.e. dissolution of corporate status, declaration of bankruptcy, etc.), Contractor shall provide to the City copies of all records relating to this Agreement.
- D. Upon satisfactory completion of all termination activities, the City shall determine the total amount of compensation that shall be paid to the Contractor for any unreimbursed expenses reasonably and necessarily incurred in the satisfactory performance of this Agreement.
- E. The City may withhold any payments due to the Contractor until such time as the exact amount of damages due to the City of Los Angeles from the Contractor is determined.
- F. The foregoing Subsections B, C, D, and E shall also apply to Agreements terminating upon the date specified in §103 or upon completion of performance of this Agreement.

§507. Notices of Suspension or Termination

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

§508. Breach

In the event any party fails to perform, in whole or in part, any promise, covenant, or agreement 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 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.

VI. REPORTS, RECORDS AND AUDITS

§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 four (4) years with the following qualifications:
 - 1. If any litigation, claim or audit is started before the expiration of the 4-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 4 years after its final disposition.
 - 3. When records are transferred to or maintained by the City, the 4-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. 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 that support all matters covered by this Agreement.
- B. The Contractor shall conduct or have conducted on an annual basis, and within nine (9) months after the close of Contractor's fiscal year, an audit in accordance with OMB Circular A-133 and City Council action, and any implementing administrative regulations or field memos.
 - 1. The audit is to be conducted annually on an organization-wide basis to test the fiscal integrity of financial transactions, as well as compliance with the terms and conditions of the Federal grant and this Agreement.
 - 2. Contractors receiving funds from two or more sources shall annually subcontract with a qualified independent auditor.

3. Contractors receiving funds solely from the City shall annually subcontract with a qualified independent auditor unless notified in writing by the Community Development that an auditor will be provided.
4. The Contractor, no later than fifteen (15) days of receipt of the final audit report and within nine (9) months after the close of Contractor's fiscal year, shall submit three copies of the report to the Audit Section of the Community Development Department.
5. The City reserves the right to impose sanctions for Contractor's failure to comply with this section and other provisions of this Agreement.

C. 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 an 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
5. Schedule of findings and questioned costs.

D. The City reserves the right to impose any or all of the following sanctions for Contractor's failure to comply with the requirements of 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 CDD;
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
4. Impose the Default, Probation, Suspension and Termination provisions of this Agreement as set forth herein.

E. City, Auditor General of the State of California, Grantor, and the U.S. Comptroller General shall have the authority to audit, examine and make excerpts or transcripts from the records, including contracts, invoices, participant 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.

1. City may require a Contractor that 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 to secure at Contractor's expense the service of independent experts.
2. 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.

3. Should a fiscal 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.

\$604. Equipment Records

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: (a) description of the item of equipment, including model and serial number, if applicable; (b) date of acquisition cost or assigned value to the program; and (c) source of acquisition.
2. 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.
3. 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.
4. 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.

\$605. Accounting Practices

- A. The Contractor shall maintain a system of internal control in accordance with standard accounting practices. Internal control comprises the plan or organization and all of the coordinate 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.
- B. The Contractor's system of accounting procedures shall be submitted to the City prior to any disbursement of funds to the Contractor.

\$606. Documentation of Expenditures

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.

\$607. Validity of Financial Documentation Submissions

Financial reports required to be prepared and submitted by the Contractor to the City shall be accurate and correct in all respects. 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 between the Contractor and the City in a written amendment.

§608. Disposition of Program Income

A. 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. Program Income is defined in 24 CFR 85.25 and 24 CFR 570.500(a). 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.

§609. 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, and 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 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 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 for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with 1.) above.

S701. Indemnification and Insurance Requirements

A. Indemnification

Except for the active negligence or willful misconduct of City, or any of its Board, Officers, Agents, Employees, Assigns and Successors in Interest, Contractor undertakes and agrees to defend, indemnify and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expense, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by the Contractor or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of this Contract.

B. Insurance

1. General Conditions

During the term of this Agreement and without limiting Contractor's indemnification of 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 Insurance Requirements Sheet (Form Gen 146/IR) in Exhibit I hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General 133 and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit I, and shall otherwise be in a form acceptable to the City Attorney. 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 thirty (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 or omissions of the City.

2. Modification of Coverage

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

3. Failure to Procure Insurance

All required insurance must be submitted and approved by the City Attorney prior to the inception of any operations or tenancy by Contractor. The required coverages 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 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 Contract shall constitute a material breach of this Contract under which City may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

4. Worker's Compensation

By signing this Contract, 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 Contract.

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

§702. Prohibition Against Assignment

- A. The Contractor shall not assign this Agreement, nor assign or transfer any interest or obligation in this Agreement (whether by assignment or novation) without prior written consent of the City.
- B. The Contractor shall not enter into any agreement with any other party under which such other party shall become the recipient of claims due or to become due to the Contractor from the City without prior written consent of the City.

§703. 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 §407 of this Agreement.
- C. Expenditures shall be in direct support of the project which is the subject of this Agreement. The Contractor shall notify the City in writing of any expenditures for items jointly used for any other project (s) and the expenditures shall be apportioned according to the percentage of direct use for this project.

§704. Limitation of Corporate Acts

The Contractor shall not amend its Articles of Incorporation or Bylaws, move to dissolve, transfer any assets derived from funds provided under §301 herein or take any other steps which may materially affect the performance of this Agreement without first notifying the City in writing. The Contractor shall notify the City immediately in writing of any change in the Contractor's corporate name.

§705. Employment of Key Personnel

For the purpose of this Agreement, the Project Director and Chief Financial Officer needed in support of this Agreement shall be considered Key Personnel. Substitute or replacement personnel hired by Contractor or collaborating subcontractor agencies shall meet the same qualifications as staff identified in the proposal and in the

Expenditure Plan. Contractor warrants that it shall replace all key personnel with equally or better qualified staff and shall notify City of any such change.

\$706. Contractor Personnel

- A. The Contractor shall employ persons meeting the qualifications for those positions they hold.
- B. The Contractor shall not use Grant funds provided under this Agreement to pay salaries.
- C. Deviation of the foregoing limitations shall require written City approval before becoming effective.

\$707. Property

- A. All real property, including fixtures, purchased with funds provided in Section 301 of this Agreement shall become the property of the Contractor at the termination of the service payback period and shall vest in the Contractor at the termination of the Agreement, provided that the Contractor has complied with all Agreement requirements and terms of the Promissory Note/Deed of Trust, if any.
- B. 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 modification 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 said 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.

\$708. Site Selection and Lease

A. Site Selection

A written description giving full details of any site (s) selected by the Contractor for use pursuant to this Agreement shall be submitted to the City for review prior to renting, leasing or acquiring said site. The City shall only approve expenditures of Grant funds in the amount which is determined to be the fair market value.

B. Lease or Rental Agreement

- 1. A copy of the proposed lease or rental agreement shall be submitted to the City prior to leasing or renting.
- 2. After execution of the lease or rental agreement, the Contractor shall submit a copy to the City prior to payment.
- 3. Written amendments to executed lease or rental agreements shall comply with the conditions set forth herein.

\$709. Purchase or Lease of Equipment, if applicable

- A. Prior to the purchase or lease of equipment the Contractor shall receive City approval in writing and shall comply with §711 of this Agreement.
- B. The term equipment as used in this Agreement shall be defined to mean personal property.

- C. Contractor shall notify the City in writing prior to using equipment for this Agreement which was or is to be purchased or leased with public funds not provided by this Agreement. Purchase or lease payments for such equipment shall not be made from funds under the terms of this Agreement.
- D. Lease of Equipment
 - 1. A copy of each executed equipment lease agreement shall be submitted to the City prior to payment.
 - 2. Written amendments to executed equipment lease agreements shall comply with the conditions set forth herein.
- E. Purchase of Equipment
 - 1. All personal property purchased under this Agreement with Funds provided in §301 of the foregoing Agreement shall become the property of the City and shall be returned to the City upon termination of this Agreement, except as otherwise provided.
 - 2. The property shall be used and maintained by the Contractor as follows:
 - a. Property shall be used solely in the performance of this Agreement.
 - b. No modification shall be made to the property without the prior written approval of the City.
 - c. The Contractor shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the said property is under the control of the Contractor, except losses, damages or destruction resulting from reasonable wear and tear. Damage, loss or destruction of the property shall be immediately reported to the City.
 - d. Information regarding purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles shall be maintained by the Contractor to be submitted to the City upon request.

§710. Subcontracts

- A. 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.
- B. Subcontracts entered into in the performance of this Agreement shall:
 - 1. Be subject to the terms and conditions set forth in this Agreement. City may require incorporation of the applicable provisions in a written agreement.
 - 2. Specifically prohibit assignment or transfer of interest without prior written approval by the City.
 - 3. Specifically provide proof, when applicable, of the appropriate permits and/or business licenses.
- C. A copy of each executed subcontract, or amendment (s) thereto, shall be submitted to the City prior to payment.

§711. Competitive Bid Requirements

A. METHOD OF PROCUREMENT. Contractor shall use one of the following methods of procurement either by bid or proposal, as appropriate for each procurement action, before entering into contracts with Subcontractors. Contractors shall conduct procurements in a manner which 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 which the bidder must fulfill in order for his bid to be evaluated by the City and Contractor. 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 and §85.36 (as applicable), Los Angeles City Charter §371 through §372, Office of Management and Budget Circular A-110, and are incorporated herein by reference.

Prior to entering into any subcontract, the Contractor shall submit to the City evidence that it has received the required quotes/bids as described below in subsections 1 and 2, and justification for selection of the successful bidder or documentation to support the fact of the sole supplier. Records shall be maintained by the Contractor showing the parties solicited and the bids submitted.

1. 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 requirements are:

Dollar Range of Purchase	Contacts and Method
\$0 to \$5,000	3 documented quotes**
\$5,000 to \$100,000	3 written quotes **

**Unless sole source justification exists.

For the 3 documented quotes, the documentation requires telephone contact with the vendors to obtain quotes for requested services. A Request for Quote (RFQ) is required for all small purchases. The RFQ indicates the quantity, time frames and all other requirements of the product or service sought. Quotes must be solicited from vendors that can reasonably be expected to provide the goods or services needed.

For 3 written quotes, the RFQ must either be provided in writing to the vendors or transmitted as uniformly as possible over the telephone. To be considered, the response must be signed and dated by the vendor.

2. Purchases/Services Over \$100,000

a. 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.

b. Competitive Proposals. Proposals shall normally be conducted with more than one 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.

- c. Noncompetitive Proposals - Sole Source. To conduct a noncompetitive procurement the criteria here must be met. Sole source contracts shall be procurement through solicitation of a proposal from only one 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 of the following circumstances applies:

- 1) The item or service is available only from a single source; or
- 2) 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
- 3) The awarding agency authorizes noncompetitive proposals; or
- 4) After solicitation of a number of sources, competition is determined inadequate.

3. Cost or Price Analysis

- a. Contractor shall establish standards for the performance of cost or price analysis.
- b. 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.
 - 1). A cost analysis is necessary when the offeror is required to submit the elements of the estimated cost, when adequate competition is lacking, and for sole source procurements, 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.
 - 2). 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.
 - 3). Any indirect costs in a proposal must be carefully reviewed to ensure that costs are not duplicated by direct costs. Indirect costs must be allocated in accordance with an approved cost allocation plan.
 - 4). 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.
 - 5). 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.

c. A price analysis shall 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 with current contract proposed prices for the same or similar requirement; iii) application of rough yardsticks (e.g., dollars per square feet, dollars per placement); iv) comparison with competitive published price lists and published market prices; and v) comparison with agency's independently developed cost estimates.

1) The following cost analysis steps shall be used: a) verify cost or pricing data and evaluate cost elements; b) evaluate the effect of the offeror's current practices on future cost; 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.

B. CONTRACT PROVISIONS: All contracts must contain at a minimum the following provisions:

1. Specific deliverables and the basis for payment;
2. Provisions requiring compliance with Community Development Block Grant (CDBG) regulations;
3. Provisions which describe remedies for breach;
4. Provisions which describe CDBG patent and copyright rules;
5. Provisions for termination for cause and convenience;
6. Access to records for audit purpose;
7. Audit requirements;
8. Provisions for payment and delivery;
9. Provisions describing contract amendment procedures;
10. Provisions against assignment;
11. Provisions for equal opportunity and non-discrimination;
12. Provisions prohibiting conflicts of interest.

\$712 Consultant Services

Prior to the execution of a subcontract for consultant services, the Contractor shall submit to the City in writing a bid package and proposed subcontract which contains the following items:

1. The solicitation for bids.
2. The list of persons or firms to which the solicitation announcement was sent.
3. A minimum of three bids.
4. Specific reasons for this selection of the prospective consultant. A resume or job application, which fully describes the consultant's previous experience, particularly as it relates to the services to be performed under the subcontract.

5. The proposed subcontract which includes the following:
 - a. Full description of the work activities that will be performed by the Consultant.
 - b. The length of time the Consultant will be retained.
 - c. The fee to be paid to the Consultant indicating whether an hourly, weekly or job completion date is to be the basis for payment.

\$713. Construction Subcontracts

- A. All construction subcontracts shall comply with City bidding procedures (Section 371 through 372 of the Los Angeles City Charter) and to the extent federal funds are involved, with Office of Management and Budget Circular A-110, Attachment O, provided that if there is a conflict, the federal provisions shall prevail. The Contractor shall submit a copy of the Invitation for Bid (IFB), or Request for Proposal (RFP), whichever is applicable, to the City for its written approval prior to publication of the IFB or RFP.
- B. Subsequent to the solicitation for bid procedure, the Contractor shall make a recommendation to the City for its approval of the award of the subcontract.
- C. Applicable labor standard provisions including, but not limited to, City and/or Federal Affirmative Action requirements, the Davis-Bacon Act, as amended, the Contract Work Hours and Safety Standards Act, the Copeland "Anti Kickback Act" as well as all regulations issued pursuant to these act and other Federal laws and the General Conditions shall be a part of all construction subcontracts awarded pursuant to this Agreement. Bidding procedures, Section 386 of the City Charter and labor provisions referenced hereinabove may be obtained from the City on request.

\$714. Records and Audits of Subcontracts

- A. Records shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered by any subcontract. Such records shall be retained within the Los Angeles Area for a period of four (4) years after receipt of final payment under this Agreement, unless authorization to remove them is granted in writing by the City.
- B. Expenditures pertaining to subcontracts shall be supported by properly executed documents evidencing in detail the nature of the charges.
- C. At such times and 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 any subcontract.
- D. These records shall be made available to the City for copying, audit, and inspection at any time during normal business hours.

\$715. Cost-Plus-a-Percentage-of-Cost-Subcontracting

Under no circumstances shall the Contractor enter into Cost-Plus-a-Percentage-of-Cost subcontracts.

\$716. Restriction on Disbursements

No money received pursuant to this Agreement by the Contractor shall be disbursed to any subcontractor except pursuant to a written agreement which incorporates the applicable General Contract Conditions as set forth in §711 of this Agreement and unless the subcontractor is in compliance with City requirements with regard to accounting and fiscal matters, to the extent that they are applicable.

§717. Overtime Work

Unless specifically stated within this Agreement or authorized by the City in writing, overtime work expenditures shall not be incurred by the Contractor under this Agreement.

§718. Travel

Any travel to be incurred by the Contractor and/or its employees under this Agreement that requires the use of private or public transportation outside the limits of Los Angeles County shall first be approved in writing by the City.

§719. Restriction on Disclosures

Any reports, analysis, studies, drawings, information, or data generated as a result of this Agreement are to be considered as confidential. Such information shall not be made available to any individual, agency, or organization except as provided for in this Agreement or as provided by law.

A. RIGHTS IN DATA: City reserves the right to use, duplicate and disclose, in whole or in part, in any manner, for any purpose whatsoever, and to authorize other to do so, all writings, drawings, pictorial reproductions, or other graphical representations and works of a similar nature except those sections labeled "Consultant Proprietary," produced by Contractor as a result of activities supported by this Agreement. If the material is subject to copyright, City reserves the right to copyright such and the Contractor agrees not to copyright such material.

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

§720. Compliance with Statutes and Regulations

A. The Contractor warrants and certifies that in the performance of this Agreement, it 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 laws and regulations pertaining to labor, wages, hours, and other conditions of employment and the City's anti-discrimination provisions and Affirmative Action Plan, and abatement of Asbestos Containing Materials (ACM) and Lead-Base Paint (LBP) including insuring all personnel involved in the abatement or removal process of all ACM and LBP will wear the necessary, legally-required protective clothing and respiratory gear. If archaeological sites are determined to be located in the project vicinity, a halt-work condition is required to allow a state-certified archaeologist to assess findings and allow work to continue in non-archaeological areas. If during the course of this Agreement, the City receives or promulgates new or revised laws, regulations and/or procedures that apply to the performance of this Agreement, such data shall be submitted to the Contractor for compliance thereto. These conditions shall be made an integral part of any subcontract arising out of this Agreement. Contractor further warrants and certifies that it shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

B. Applicable Statutes, rules, or regulations may include, but are not limited to, the following:

1. Office of Management and Budget (OMB), Circular A-122, Cost Principles for Non-profit Organizations;

2. Office of Management and Budget (OMB) Circular A-87, Cost Principles Applicable to Grants and Contracts With State and Local Governments;
3. Executive Order Number 11,063 dated November 20, 1962;
4. Copeland "Anti-Kickback" Act (18 USC 874, 4042, 4121-4128, 4162, as supplemented in Department of Labor regulations, (29 CFR, Part 3, 40 USC §§ 276c);
5. Davis-Bacon Act (40 USC 276a et seq.) (29 CFR, Part 5); State Prevailing Wage Requirements pursuant to California Labor Code Section 1720 et seq.;
6. Sections 103 and 107 Contract Work Hours and Safety Standards Act (40 USC 327-333, as supplemented by Department of Labor regulations (29 CFR, Part 5);
7. Clean Air Act, as amended (42 USC 1857, et seq.);
8. Federal Pollution Control Act, as amended (33 USC 1251, et seq.);
9. Title VI of the Civil Rights Act of 1964, (PL 88-352, as amended), and implementing regulations;
10. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, (42 USC 2000e), and implementing regulations;
11. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, and implementing regulations issued at 45 CFR, Part 84;
12. The Americans with Disabilities Act (ADA), PL 101-336 and all applicable regulations;
13. The Age Discrimination Act of 1975, as amended, (42 USC 6101, et seq.) and implementing regulations;
14. The assurance made by the City to the U.S. Department of Housing and Urban Development in its application for funds under Title I of the Housing and Community Development Act of 1974, as amended;
15. The Grant Agreement between the City and the U.S. Department of Housing and Urban Development pursuant to Title I of the Housing and Community Development Act of 1974, as amended, including its General Terms and Conditions, which are hereby incorporated by reference (Provisions therein include "Section 3" compliance, Flood Disaster Protection, Equal Employment Opportunity, Lead-Based Paint Hazards, Compliance with Air and Water Acts, Federal Labor Standards, Nondiscrimination, Interest of Certain Federal Officials and Other Public Officials, Prohibition against Payments of Bonus or Commission);
16. The federal regulations and the Code of Federal Regulations and the Federal Register provisions applicable to the Community Development Block Grant program;
17. HUD Handbook 1900.23, Letter of Credit Procedures-Treasury Original Disbursing Office System (Recipient Organizations) as supplemented by procedural instructions as issued by City;
18. 24 CFR Part 570 CDBG Entitlement Program, particularly 24 CFR Section 570.503 Agreements with Subrecipients;
19. Omnibus Budget Reconciliation Act of 1981 which established the Community Services Block Grant Act (42 USC 9901, et seq.) and implementing regulations (e.g., 45 CFR 500, et seq.);

20. Title VII, Subtitle D of the City to the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100-77 (Emergency Community Services Homeless Grant Program);
21. The assurances made by the City and the U.S. Department of Housing and Urban Development in its application for funds under the Stewart B. McKinney Homeless Assistance Act of 1987;
22. The Grant Agreement between the City and the U.S. Department of Housing and Urban Development pursuant to Title IV, Subtitle B of the Stewart B. McKinney Homeless Assistance Act of 1987, including its General Terms and Conditions of 24 CFR Part 576 which are hereby incorporated by references;
23. 24 CFR Part 85 Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments particularly 24 CFR Section 85.36 (I), Contract Provisions 1-13;
24. Federal regulations regarding debarment as contained in Executive Order Number 12549 and 24 CFR Part 24, Section 24.510, and any amendment thereto.
25. City of Los Angeles Ordinance 164244 relating to the 1% fee for public art.
26. The Energy Policy and Conservation Act (P.L. 94-163, December 22, 1975, 42 USC Section 6201 et seq., as amended).
27. Intergovernmental Personnel Act of 1970 (42 USC §§ 4728-4763, Appendix A of OPM's Standards for a Merit System of Personnel Administration, 5 CFR 900, Subpart F); the Federal Fair Labor Standards Act, 29 USC §§ 201; Title IX of the Education Amendments of 1972, as amended (20 USC §§ 1681-1683 and 1685-1686); the Drug Abuse Office and Treatment Act of 1972, as amended (PL 92-255; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended (PL 91-616; Sections 523 and 527 of the Public Health Service Act of 1912, as amended (42 USC §§ 290 dd-3 and 290 ee-3); Title VIII of the Civil Rights Act of 1968 (42 USC §§ 3601 et seq.), as amended; Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646); Hatch Act (5 USC §§ 1501-1508 and 7324-7328).
28. Section 102(a) of the Flood Disaster Protection Act of 1973 (PL 93-234); National Environmental Policy Act of 1969 (PL 91-190, Executive Order 11514); Notification of Violating Facilities (Executive Order 11738); Protection of wetlands pursuant to Executive Order 11990; Evaluation of Flood Hazards in Floodplains (Executive Order 11988); Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 USC §§ 1451 et seq.); Safe Drinking Water Act of 1974, as amended (PL 93-523); Endangered Species Act of 1973, as amended (PL 93-205); Wild and Scenic Rivers Act of 1968 (16 USC §§ 1271 et. seq.); Section 106 of the National Historical Preservation Act of 1966, as amended (16 USC § 470); Executive Order 11593 (identification and protection of historic properties); Archaeological and Historic Preservation Act of 1974 (USC §§ 469a-1 et seq.); PL 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance; Laboratory Animal Welfare Act of 1966, as amended (PL 89-544, 7 USC §§ 2131 et. seq.); Lead-Based Paint Poisoning Prevention Act (42 USC §§ 4801 et seq.); Coastal Barrier Resources Act, PL 97-348 dated October 19, 1982, 16 USC §§ 3501 et seq.
29. 24 CFR 85.22, Allowable Costs; 48 CFR Part 31, Federal Acquisition Regulation (FAR).

§721. Permits and Licenses

- A. The Contractor shall obtain all permits and licenses necessary to the performance of this Agreement. The Contractor shall pay all normal fees for permits, licenses, inspections or any other certification or service required in the performance of this Agreement. Among the permits and licenses which may be required are Conditional Use Permits; B-Permits, Building Permits, Incorporation Fees or State Licensing Fees of any kind. The City is not permitted to waive any fees for services, except as otherwise required by law.
- B. The Contractor represents that it has obtained and presently holds the Business Tax Registration Certificate (s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, Section 21.00 and following, of the Los Angeles Municipal Code). The Contractor shall maintain, or obtain as necessary, all such Certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended.

§722. Conflict of Interest

- A. The Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administrating any subcontract supported (in whole or in part) by Federal funds where such person is a director, officer, employee or agent of the subcontractor; or where such person knows or should have known that:
 - 1. A member of such person's immediate family, or partner, or organization has a financial interest in the subcontract; or
 - 2. The subcontractor is an entity or someone with whom such person has, or is negotiating any prospective, employment; or
 - 3. The participation of such persons would be prohibited by the California Political Reform Act, California Government Code Section 87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

B. Definitions

- 1. The term "immediate family" includes but is not limited to, those persons related by blood, marriage or domestic partner status, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, son-in-law, and 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 interest 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.

- C. The Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from an actual or potential subcontractor, supplier, a party to subagreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).

- D. 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.
- E. 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.
- F. 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.
- G. 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.
- H. The Contractor covenants that no member, officer or employee of Contractor shall have any interest, direct or indirect, in any contract or subcontract for work to be performed in connection with this project during his/her tenure as such employee, member of officer, or for one year thereafter.
- I. 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-contractor" for "Subcontractor".

§723. 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. Sections 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, manufacture, improve upon,

and allow others to do so for all government 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.

3. Contractor shall comply with 29 CFR 97.34.

D. Rights to Data

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

E. Trade Secrets

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

F. 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.

§724. Political 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.

§725. Lobbying Prohibited

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

If this Agreement provides for more than \$100,000 in federal grant funds or more than \$150,000 in federal loan funds, Contractor shall submit to City a fully executed Certification Regarding Lobbying (Exhibit III) and a disclosure form if required, in accordance with Section 1352, Title 31, U.S. Code. 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 effects the accuracy of the information contained in any disclosure form previously filed by the Contractor.

§726. Installation of Financial Assistance Sign

The Contractor shall allow to be installed for public display upon the project premises, a sign identifying the Contractor as a recipient of financial assistance from the City. The signage shall read as follows: "Community Development Block

Grant funding provided by the U.S. Department of Housing and Urban Development through the Community Development Department of the City of Los Angeles".

\$727 Public Information

In all communication 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 Community Development Department as a/the sponsoring agency of the project.

\$728 Discrimination Prohibited

No person shall on the ground of race, religion, ancestry, color, national origin, sex, sexual preference, age, physical handicap, marital status or domestic partner status be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this Section, Title 24 Code of Federal Regulations Section 570.601 (b) defines specific discriminatory actions which are prohibited and corrective action which shall be taken in situations as defined therein.

\$729. Nondiscrimination, Equal Employment Practices and Affirmative Action Program

The Contractor shall comply with the nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in its employment practices against any employee, or applicant for employment because of such person's, religion, ancestry, color, national origin, sex, sexual preference, age, mental disability, mental condition, physical handicap, marital status or domestic partner status. The Contractor shall comply with the provisions of Los Angeles Administrative Code Section 10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of \$1,000 but not more than \$100,000, the Equal Employment Practices provisions of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code Section 10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of \$100,000, the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set for 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 Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by said Office. 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.

\$730. Employment Opportunities for Business and Lower Income Persons

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):

1. 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.
2. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

3. 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 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, 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 persons(s) taking applications for each of the positions; and the anticipated date the work shall begin.
4. 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 an 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 with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
5. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract 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.
6. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
7. 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 contract. 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).

S731. Participation of Minorities, Women and Small Businesses

To the fullest extent possible in the administration of this Agreement, Contractor agrees to provide opportunities for minorities, women and small businesses to participate in procurements under this Agreement.

S732. Captions

The section headings appearing herein shall not be deemed to govern, limit, modify or any way affect the scope, meaning of intent of these conditions.

S733. Effect of Legal Judgement

Should any covenant, condition or provision herein contained be held to be invalid by final judgement in any court of competent jurisdiction, the invalidity of such covenant, condition or provision shall not in any way affect any other covenant, condition or provision herein contained.

S734. Choice of Law Governing this Agreement

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

§735. Prohibition of Legal Proceedings

The Contractor is prohibited from using Grant funds received under this Agreement, or funds realized as a result of this Agreement, for the purpose of instituting legal proceedings against the City or their official representatives.

§736. Faith-Based Activities

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

1. 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 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 in such programs or services must be voluntary for the beneficiaries of the CDBG-funded programs or services.

2. 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 CDBG funds to support any inherently religious activities, such as worship, religious instruction or proselytization.

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

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.

3. 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.
4. CDBG 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.

CDBG 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, CDBG 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 CDBG funds herein. Sanctuaries, chapels or other rooms that a CDBG funded religious congregation uses as its principal place of worship, however, are ineligible for CDBG 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 contract, is subject to government-issued regulations governing real property dispositions.

§737. Living Wage Ordinance

Living Wage Ordinance and Service Contractor Worker Retention Ordinance

- A. Unless otherwise exempt in accordance with the provisions of these Ordinance, this Agreement is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 et seq. of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code, as amended from time to time.
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 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 the Contractor with respect to such pledges and fully discharge the obligation of the Contractor to comply with the provision in the LWO contained in Section 10.37.6 (c) concerning compliance with such federal law.
 3. The 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 the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of LWO and the SCWRO, and shall incorporate the "Living Wage Ordinance and Service Contractor Worker Retention Ordinance" language.
 5. Contractor shall comply with all rules, regulations and policies promulgated by the designated administrative agency, which may be amended from time to time.
- B. Under the provisions of Section 10.36.3(c) and Section 10.37.5 (c) of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this Agreement and otherwise pursue legal remedies that may be available if the City determines that the subject Contractor has violated provisions of either the LWO or the SCWRO or both.

- C. Where under the LWO Section 10.37.6(d), the design and administrative agency has determined (a) that the 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 awarding authority in such circumstances may impound monies otherwise due the Contractor in accordance with the following procedures. Impoundment shall mean that from monies due the Contractor, the awarding authority may deduct the amount determined to be due and owing by the 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 the Contractor is to continue work following an impoundment shall remain in the unfettered discretion of the awarding authority. The 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.

Earned Income Tax Credit

This Agreement is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

§738.

Child Support Assignment Orders

This Agreement is subject to Section 10.10 of the Los Angeles Administrative Code, Child Support Assignment Orders Ordinance. Pursuant to this Ordinance, Contractor certifies that it will (1) 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) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230 et seq.; and (4) maintain such compliance throughout the term of this Agreement. Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, failure of Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Contractor to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the Contractor under the terms of this Agreement, subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Contractor by the City. 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 and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the Contractor to obtain compliance of its subcontractors shall constitute a default by the Contractor under the terms of this Agreement, subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Contractor by the City.

Contractor shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. Contractor assures 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 subdivision (1) of the Public Contract Code 7110.

§739.

Equal Benefits Ordinance

Unless otherwise exempted in accordance with the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, this Agreement is subject to the provisions of the EBO as amended from time to time.

- (1) During the performance of this Agreement, the Contractor certifies and represents that the Contractor will comply with the EBO. The Contractor agrees to post the following statement in conspicuous places at its place of business available to employees and applicant for employment:

"During the performance of a contract with the City of Los Angeles, the contractor will provide equal benefits to 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, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480."

- (2) The failure of the Contractor to comply with the EBO, will be deemed to be a material breach of this Agreement by the awarding authority.
- (3) If the Contractor fails to comply with the EBO the awarding authority may cancel, terminate or suspend this Agreement, in whole or in part, and all monies due or to become due under this Agreement may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.
- (4) Failure to comply with the EBO may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.
- (5) If the City determines that the Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, the awarding authority may terminate this Agreement on behalf of the City. Violation of this provision maybe used as evidence against the Contractor in actions taken pursuant to the provisions of the Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

\$740. Pro-Children Act of 1994

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 an 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.

\$741. American-Made Equipment/Products

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.

\$742. Contract Administration

Contractor shall administer this Agreement in accordance with OMB requirements Contained in the following Circulars: Common Rule, Subpart C, for public agencies Or A-110 for nonprofit organizations.

§743. Contractor Responsibility Ordinance

Unless otherwise exempt in accordance with the provisions of the Ordinance, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of Article 14, Chapter 1 of Division 10 of the Los Angeles Administrative Code, 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 Agreement. In accordance with the provisions of this Ordinance, by signing this Agreement, Contractor pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. The Contractor further agrees to: (1) notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Contractor is not in compliance with all applicable federal, state and local laws in performance of this Agreement; (2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Contractor has violated the provisions of Section. 10.40.3 (a) of the Ordinance; (3) ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and (4) ensure that its subcontractors, as defined in the Ordinance, comply with the requirement of the Pledge of Compliance and the requirement to notify awarding authorities 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 Ordinance in performance of the subcontract.

§744. Slavery Disclosure Ordinance

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

§745. Americans with Disabilities Act

The Contractor hereby certifies that it will comply with the Disabilities Act 42, U.S.C. Section 12101 et seq., and its 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 Disabilities Act. The Contractor will not discriminate against persons with disabilities nor 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.

VIII. ENTIRE AGREEMENT

\$801. Complete Agreement

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

\$802. Number of Pages and Attachments

This Agreement is executed in (fill in number)(#) duplicate originals, each of which is deemed to be an original, and includes (fill in number)(#) pages, one (1) attachment and six (6) exhibits which constitute the entire understanding and agreement of the parties.

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

APPROVED AS TO FORM AND LEGALITY:

ROCKARD J. DELGADILLO, City Attorney

Execute this _____ day of _____, 2____
For: THE CITY OF LOS ANGELES

By: _____ (THIRD)
Deputy/Assistant City Attorney

Richard L. Benbow
General Manager
Community Development Department

Date: _____

ATTEST:
FRANK T. MARTINEZ, City Clerk

By: _____ (SECOND)

By: _____ (FOURTH)
Deputy City Clerk

Date: _____

Executed this _____ day of _____, 2____
For:

City Business Tax Registration
Certificate Number: _____
Internal Revenue Service ID Number: _____

(Contractor's
Corporate Seal)

By: _____ (FIRST)
Corporate Officer

ATTEST:

By: _____
Corporate Secretary

Council File Number: _____; Date Council Adopted: _____

Said Agreement is Number _____ of City Contracts.

ATTACHMENT I : EXPENDITURE PLAN

BUDGET SUMMARY BY COST CATEGORY

Agreement Number _____ of City Contracts; Amendment Number _____; Contractor _____

BUDGET SUMMARY BY COST CATEGORY

COST CATEGORIES	HCDBG Share	Non-Federal Matching Share	Program Income	ESTIMATED TOTAL COST	FISCAL NOTES:
1000 - Personnel Costs					(AMOUNT AUTHORIZED BY COUNCIL)
2000 - Direct Costs					
3000 - Equipment Costs					
4000 - Indirect Costs					
5000 - Capital Costs	(COUNCIL APPROVED)			(FOR TOTAL PROJECT)	
TOTAL CATEGORY COSTS	(SAME)			(SAME)	

EXHIBIT I
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	
TEL	FAX

GENERAL INFORMATION

- 1. Project ID** All submissions 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 dollar amounts** specified on the Insurance Requirements Sheet (Form Gen. 146) included in your CITY documents.
- 2. When to submit** Normally, no work or occupancy may begin until a CITY Attorney insurance approval number has been obtained, so 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. Availability of Insurance** Coverages and limits are subject to availability on the open market at reasonable cost as determined by the CITY. For requirements to be relaxed or waived, your broker or agent must document non-availability or non-affordability in a letter to the CITY. It must show a good faith effort to place the required insurance, must list the names of the insurance carriers contacted and show the declinations or cost indications received from each.
- 4. 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 their financial statements.

ADMINISTRATIVE REQUIREMENTS

- 5. California Licensee** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.
- 6. Aggregate Limits/Impairment** If any of the required insurance coverages contain annual aggregate limits, you must give the CITY written notice of any pending claim or lawsuit which may diminish the aggregate within thirty (30) days of knowledge of same. You must take steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect CITY'S protection are allowed without CITY'S prior written consent.
- 7. Signature** All submissions must bear the manual autograph in ink of a person with authority to bind coverage. Signatures which are rubber stamped, mechanically reproduced, initialed by others or photocopied are not acceptable.

POLICY CONDITIONS

- 8. Additional Insured/Loss Payee** The CITY must be included as an additional insured in applicable liability policies to cover the CITY'S vicarious liability for the acts or omissions of the named insured. Such coverage is not expected to respond to the active negligence of the CITY. The CITY is to be named a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 9. Notice of Cancellation** You agree contractually to maintain all required insurance in full force for the duration of your business with the CITY. By ordinance, all required insurance must provide at least 30 days' prior notice directly to the CITY by receipted delivery (certified mail, courier or in-person delivery) if your *insurance company* elects to cancel or reduce coverage prior to the policy expiration date. This also applies when the **scope of coverage** which affects the CITY'S interest is to be reduced or when the **dollar limits** of coverage are to be reduced for any reason except impairment of an aggregate limit due to prior claims. Submissions not meeting this requirement will be rejected.

EXHIBIT I – Cont.
INSURANCE REQUIREMENTS

10. **Primary Coverage** The coverage must be primary with respect to any insurance or self insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

11. **Separation of Insureds** (Severability of Interest) In **construction contracts**, the CITY must be able to retain its rights as a potential claimant as well as to be protected as an additional insured for vicarious liability to third party claimants except with respect to the insurance company's limits of liability.

PROCEDURES

12. **Acceptable Evidence and Approval CITY Special Endorsement** forms completed by your insurance company or its designee are the preferred form of evidence of insurance. (**Note:**The CITY forms are acceptable to the California Department of Insurance from *any* insurance carrier. They need not be re-filed by individual insurance companies.) Altered forms may not be accepted but the "Other Provisions" box on the CITY forms, may be used, as necessary, to provide pertinent information such as important exclusions, specific provisions or scheduled locations/equipment. Additional pages may be attached for this purpose, as well. If they are, make note of it in this box. An acceptable alternative to the Special Endorsement form is a **certified copy of full insurance policy** which contains a 30-day cancellation notice provision and additional-insured or loss-payee status, when appropriate, for the CITY. **Binders and Cover Notes** are also acceptable as interim evidence for up to 90 days. However, non-binding documents such as broker letters and **Certificates of Insurance are not acceptable as stand-alone evidence of coverage**. Certificates are acceptable for the following purposes: 1) supplemental information to accompany endorsements; renewals or extensions of coverage already on file with the CITY; 2) for the naming of third-party, additional insureds; 3) as an indication of compliance with statute, such as Workers' Compensation Law or the California Financial Responsibility Law for Automobile Liability, 4) as proof of coverage beyond CITY requirements or which does not directly relate to the CITY'S interests.

13. **Renewal** When an existing policy is timely renewed, submit a renewal endorsement or a manually-signed Certificate of Insurance. However, if your policy number changes or you use a different underwriting company (insurer) you must submit new evidence which meets the policy conditions listed in Sections 8 through 11 of this information sheet.

COVERAGE INFORMATION

14. **Dollar Limits** of required insurance are sometimes set by statute or ordinance. When there is no specific amount required by law, limits are based on the amount of risk to the CITY from the contractor, vendor or permittee's activities.

15. **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 on CITY premises. **Contractual liability** coverage is a required inclusion in this insurance. (See separate information sheet on the CITY'S SPARTA program as an optional source of low-cost insurance which meets all requirements.)

16. **Automobile Liability** insurance is required only where vehicles are used in performing the work of your Contract or where 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.

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

18. **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. **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.

19. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Fire Legal Liability** is required for persons occupying a portion of CITY premises.

20. **Surety** coverage may be required to guarantee performance of work. A **Fidelity bond** may be required to handle CITY funds, high value property and under certain other conditions. **Specialty coverages** may be needed for certain operations.

EXHIBIT II

CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
LOWER TIER COVERED TRANSACTION

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

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

1. The prospective recipient of Federal assistance funds certifies that neither 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 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 II (Con't)

INSTRUCTION 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 Transaction" 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 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 rendered 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.

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 III

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 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 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, subgrants, a8/97s under grants, loans, and cooperative agreements) and that all subrecipients 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 IV

EXEMPTION FROM LIVING WAGE ORDINANCE

EXHIBIT V

City of Los Angeles

Public Works Bureau of Contract Administration

Office of Contract Compliance

600 S. Spring Street, Ste 1300

Los Angeles, CA 90014

Phone: (213) 847-6475

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 Living Wage Section, as well as file a claim in court.

For more information, or to obtain a complaint form, please call the Contractor Enforcement Section at (213) 847-6475

EXHIBIT VI

**DETERMINATION FORM- EQUAL BENEFITS AND SLAVERY
DISCLOSURE ORDINANCE**

CITY OF LOS ANGELES
STANDARD LANGUAGE

Agreement No.

Project Title:

Contractor:

Doing Business As:

N/A

Type of Organization:

Corporate Number:

Center(s):

THIS AGREEMENT is entered into between the City of Los Angeles (City), a municipal corporation, and , insert legal name and type of entity, hereafter, the Contractor.

RECITALS

WHEREAS, the City has entered into a Grant Agreement with INSERT NAME OF FUNDING SOURCE

Hereafter called the Grantor, to address the needs of the City, and the Grantor has awarded insert written amount of funding funds to the City for this purpose; and

[ADD THE FOLLOWING PARAGRAPH FOR CSBG FUNDED CONTRACTS]

WHEREAS, the City has entered into a Grant Agreement with the State of California, hereafter called the State, pursuant to the 42 U.S.C. 9901 et seq., and 45 Code of Federal Regulation (CFR) Part 96 and the regulations adopted or the actions taken by the State of California to implement such Act; and

[ADD THE FOLLOWING PARAGRAPH FOR WIA FUNDED CONTRACTS]

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 funded in the CDD budget by the U.S. Department of Labor (Grantor/DOL) pursuant to the Workforce Investment Act Program; and

WHEREAS, the Community Development Department, hereafter called the 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, the 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 that 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 funded in the CDD budget by the U.S. _____ pursuant to the _____ ; and

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

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

WHEREAS, the City and the Contractor are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number _____ dated _____) that authorizes the General Manager of the Community Development Department to prepare and execute the Agreement.

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:

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

With copies to:
Insert director's name, Director
Insert name of division Division

B. The Contractor, represented by:
Name/Address

With copies to:
Name/Address

§102 SERVICE OF NOTICES

A. The City's representative as stated 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 by this Agreement to be given by either party shall be made in writing and may be personally delivered or delivered by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing.

C. If the name 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 working days of the change.

§103 TERM OF THE AGREEMENT

A. The term of this Agreement shall be from insert beginning month, day and year to insert insert ending month day and year and 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 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.

§104 CONDITIONS PRECEDENT TO THE EXECUTION OF THE AGREEMENT

A. Prior to the execution of this Agreement, the Contractor shall submit to the City for approval in writing the following documents:

1. Insurance Certificates. The requirements and instructions for completing, executing, and submitting evidence of insurance to the City of Los Angeles are attached to the Agreement as Exhibit A and are incorporated by this reference.
2. A City of Los Angeles Affirmative Action Plan.
3. A Proposed Depository Agreement with a bank for the deposit of City funds advanced to the Contractor. The proposed depository agreement shall be on a form supplied by the City that sets forth the right of the City to exercise a suspension of business upon proper notice to the bank by the City.
4. A Code of Conduct in accordance with State and Federal law and this Agreement.
5. Budget/Expenditure Work Plan
 - a. Contractor shall submit to the City for approval in writing a proposed Budget/Expenditure Plan and Customer Service Plan.
 - b. The Budget/Expenditure Work Plan is detailed listings of items for expenditure and scope of service (s) under the terms of this Agreement, which is incorporated herein by this reference. 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 City during the term of this Agreement. The Plan shall also describe all subcontractor services to be used by the Contractor and the payment procedures for subcontractors.

B. Prior to execution of this Agreement, the Contractor shall provide the City with 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. A current list of the Members of the Board of Directors with their individual addresses where they may be reached.
2. Contractor's Articles of Incorporation and all amendments to those Articles, as filed with the Secretary of State.
3. Contractor's Bylaws, and all amendments to those Bylaws, as adopted by the Contractor and properly attested.
4. Letter of Representation, including:
 - a. Any pending litigation and other significant issues that may threaten the financial viability of Contractor.
 - b. When Contractor is aware of any threat to its financial solvency, a description of the threat must be included. If Contractor is aware of any of the following, they should include:
 - (1) Pending Litigation: Case name, number and court in each and every lawsuit currently pending against Contractor.
 - (2) Bankruptcy: Case name, number, court and names of creditors for each and every claim filed by Contractor in the previous five years.
 - (3) Liens: List all current lien holders and the amount of each lien against Contractor.
 - (4) Judgments: List any judgments against you within the past five years and, for each, list the amount of the judgment and whether it was paid.

- c. When Contractor is unaware of any threat of litigation, Contractor must provide a statement to that effect.
 - d. Contractor shall provide information regarding any repayment agreements it has entered into with the City.
 - e. Contractor further warrants that its execution of this Agreement is a material representation of fact upon which the City may rely in providing funding awarded under this Program.
5. Resolutions of Executorial Authority or other corporate actions of the Contractor's Board of Directors, 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.
 6. A current and valid license to do business in the City of Los Angeles. Contractor represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, §§21.00, et seq., of the Los Angeles Municipal Code). For the term covered by this Agreement, Contractor shall maintain, or obtain as necessary, all Certificates required of it under this Ordinance and shall not allow the Certificate to be revoked or suspended.
 7. An Internal Revenue Service taxpayer identification number.
 8. A Contractor Responsibility Ordinance Questionnaire.
 9. A Notice of Prohibition Against Retaliation attached as Exhibit B to this Agreement. Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.
 10. Certification of Contractor Cost Data: By executing this Agreement, Contractor' Representative is certifying to the best of his/her knowledge and belief that the cost data are accurate, complete, and current at the time of execution of this Agreement.
 11. A Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, fully executed in accordance with Executive Order 12549, 29 CFR Part 98 §98.510, and attached hereto as Exhibit C.
 12. A Certification Regarding Lobbying, fully executed in accordance with City Directive 91-3 dated July 27, 1990 and attached hereto as Exhibit D. Contractor shall comply with all provisions of 31 USC §1352 et seq. and 29 CFR Part 93. No funds shall be released to Contractor until the Certification is filed.

[Add the following for WIA/CSBG Contracts]

13. Certification Regarding Drug Free Workplace Requirements fully executed and attached as Exhibit E.

[Add the following for WIA funded contracts]

14. A Certification Regarding Relocation of Business, fully executed in accordance with WIA regulations and attached hereto as Exhibit F.
15. Carry-in Customer Worksheet – Prior to execution of this Agreement, Contractor shall submit to the City the completed Carry-in Customer Worksheet. After the final Management information System (MIS) reconciliation for the contract year, Contractor shall submit a revised worksheet based on the number of carry-in customers reported to the State.

§105 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)

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. Administrative Internal Management Plan:

The Internal Management Plans shall identify the specific activities, including Contractor's monitoring activities involved in the areas identified in 1 and 2 above, the responsible staff, and the time line for execution of the following activities. The plan shall cover 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. Plans shall be made available to the City upon request.

D. Agreements with Other Funding Sources:

- 1. 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.

(Add the following for WIA funded contracts)

- 2. Prior to Contractor's submittal directly or indirectly as a collaborator of a workforce development grant application or acceptance of a workforce development grant award, Contractor shall notify the City in writing and give the City an opportunity to comment on the potential impact to the City's workforce delivery system.

E. Board of Director's Meeting Minutes:

Contractor shall maintain minutes of all board meetings and provide these records to the City upon request.

F. Community Based Development Organization (CBDO) Status, if applicable:

The Contractor shall maintain on file current and complete documentation on its continuing status as a CBDO in accordance with CDBG regulations defined at 24 CFR 570.204(c); such documentation to include, but not be limited to, Internal Revenue Service (IRS) tax-exempt status, evidence of certification as a CBDO by the City of Los Angeles, program activity reports and other data supporting community development activities as one of its primary purposes.

Contractor shall notify the City of Los Angeles of any circumstance in which the primary purpose of the organization has changed, or if the tax-exempt status, bylaws or articles of incorporation for the organization has/have changed, or of any material facts which may affect Contractor's ability to perform this Agreement.

§106 INDEPENDENT CONTRACTOR STATUS OF THE CONTRACTOR

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

under this Agreement. 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.

§107 CONTRACTOR'S DUTY TO NOTIFY CITY OF CHANGES

Contractor agrees to provide the City 60 days advance written notice of any facts that may materially affect the performance of this Agreement or impact the City's decision to continue this Agreement with the Contractor. Among the items to be disclosed are an amendment to its Articles of Incorporation or Bylaws, move to dissolve or transfer any assets derived from 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 final audit findings regarding the Contractor's administration of any contract with public funds.

Contractor shall notify the City within five days of changes affecting this Agreement including: 1) any amendments of documents; 2) actions that would change Contractor's legal status; 3) any action that may materially change the performance of this Agreement (i.e., bankruptcy); or 4) a change in Contractor's corporate name.

§108 DEFINITIONS

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

- A. Federal Grantor Agency – for this Agreement the Federal Grantor Agency is (insert the name of the agency).
- B. The word "days" means calendars days, including weekends and holidays, unless otherwise specifically provided herein.

[Insert other applicable program definitions]

2. DUTIES AND POWERS OF THE CONTRACTOR

§201 GENERAL STATEMENT OF WORK TO BE PROVIDED BY THE CONTRACTOR

(insert description from either the Con Plan, Grant application or RFP/RFQ. Should contain generic who, what, when, where and how information regarding the purpose of the Agreement)

§202 STATEMENT OF WORK

- A. Purpose

The Statement of Work is a general description of the services made available by the Contractor. Should the Contractor determine a need to alter significantly the services described, approval must be requested in writing. The approval must be received from the City in writing before any change is implemented and may require a contract amendment.

The Contractor shall provide : (describe the scope of work in details as it pertains to the individual contractor, include who, what, when, where, # to be served, and how as provided in the contractor's proposal. Complete details will be in the Statement of Work Plan attachment. NOTE: if CBDO, then activities should reflect economic development tasks; if WIA: activities should reflect the number of placements anticipated or number of jobs created etc.

- B. Contractor shall provide allowable program services and activities to customers, as determined necessary, appropriate, and reasonable.

- C. Program Requirements

- 1. General Responsibilities

- a. Ensure that the program is fully staffed, filling all vacancies in a timely manner with experienced and trained personnel, that meet City certification requirements, and in compliance with any requirements identified in City Directives;

- b. Oversee and monitor all program activities and subcontracts;
- c. Safeguard and manage all funds paid to the Contractor including those issued for payment to subcontractors;
- d. Implement a performance-based procurement system for the selection of subcontractors.

3. COMPENSATION

§301 CONTRACTOR COMPENSATION

A. Compensation

1. The City shall pay to the Contractor an amount not to exceed (insert written dollar amount do not include 'and' in the amount), \$, for the complete and satisfactory performance of the terms of this Agreement. These funds shall be allocated from [the insert the funding stream] and shall be expended in accordance with the City approved Budget/Expenditure and Work Plan, incorporated herein by reference. Contractor's authority to expend these funds shall be for specific time periods as set forth in this Agreement. Contractor's right to receive compensation is conditioned upon compliance with the City's indemnification and insurance requirements, satisfactory performance, and compliance with this Agreement.
2. In no event shall the final expenditures for the period specified herein exceed the total compensation set forth above except as provided for by an amendment to this Agreement.
3. The dollar amount set forth above is subject to change and may be reduced by an amendment to this Agreement should the City determine that contractor's performance does not justify the level of funding.
4. Contractor's reimbursement for expenses incurred in the performance of this Agreement shall be made only upon acceptance by the City of the Contractor's invoice and supporting documentation as described in the Reporting Requirements Section of this agreement.
5. 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. Undocumented expenditures shall not be paid under this Agreement.
6. The City shall reimburse Contractor for salaries, equipment or other legitimate allowable expenses as detailed in the City approved Budget/Expenditure Plan, incorporated here by reference.
7. Contractor shall not be reimbursed for administrative cost not specifically detailed or summarized and approved in the Budget/Expenditure Plan.
8. Contractor (select one shall [or shall not]) receive advance funds. If the Contractor were to receive advance funds, it must execute a City approved Special Bank Account Agreement before receipt of funds. All City funds must be deposited in the special bank account until expended on City approved allowable contract costs.

[Use the following language only if Contractor is required to provide a match]

9. Contractor is required to provide the sum of (insert the written dollar amount) non federal monies as a (insert the required %) match to the funds provided by this Agreement.

B. Funding of Agreement

Funding for all periods of this Agreement is subject to the continuing availability of federal funds for this program to the City. This Agreement may be terminated immediately upon written notice to the Contractor of a loss or reduction of federal grant funds.

C. Payment to the Contractor

1. The City makes no commitment to fund this 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 forth in this Agreement, upon written notice to Contractor and as set forth by a written amendment.
2. Contractor shall be reimbursed for reasonable and allowable expenses incurred under this Agreement. Unless Contractor has been approved to receive advance payments, all payments shall be on reimbursement basis. Contractors who are on an advance payment plan authorized by the City as described in the Budget/Expenditure Work Plan, shall bill the City for all reasonable and allowable costs under the terms of this Agreement.
3. Contractors not on advance payment plan shall request reimbursements by submitting the cash request, monthly expenditure report and all other documents as required by City. Contractor shall be reimbursed by City after City has received the monthly expenditure report and all other required documents and after City determines that Contractor has incurred and expended funds for reasonable and allowable costs under this Agreement.
4. Contractor shall submit a final close out fiscal report showing final expenditures and other documents as required by City within 45 days after the termination date of this Agreement.
5. Reasonable and allowable costs shall be determined pursuant to the Allowable and Unallowable Cost Section set forth below in this Agreement.

D. Stand-In Costs: Contractor shall identify, document, and account for uncharged costs. These stand-in costs shall be reported to the City on a quarterly basis.

E. Profit: Contractor shall comply with City Directives regarding profit or return on investment.

F. 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 OMB circulars.

G. Applicable Discounts: Contractor warrants that any applicable discounts have been included in the costs to the City.

H. Concurrent Enrollment: If the Contractor is serving customers concurrently utilizing more than one funding stream, the Contractor is responsible for tracking the services delivered and the expenditures reported to ensure that services and expenditures are not duplicated.

I. Match 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.

J. Overtime Work: Unless specifically stated within this Agreement or authorized by the City in writing, Contractor shall not incur overtime work expenditures.

K. Travel:

1. Contractor shall be compensated for Contractor's reasonable expenses incurred in the performance of this Agreement, which include travel and per diem costs, unless otherwise

expressed. Contractor's total travel for in-State and /or out-of-State and per diem costs shall be included in this Agreement's Budget/Expenditure Plan..

(Add the following for CSBG funded contracts)

2. Contractor's administrative-related travel and per diem reimbursement costs shall be reimbursed based on the Contractor's policies and procedures. For programmatic-related travel costs, Contractor's reimbursement rates shall not exceed the amounts established by the State Department of Personnel Administration Rules and Regulations, Section 599.619, dated July 1, 1997, and as amended from time to time. All travel, including out-of-State travel not included in the budget(s) shall not be reimbursed without prior written authorization from the Department of Community Services and Development, State of California.

(Add the following for WIA funded contacts)

L. Reallocation of Funds:

1. City reserves the right to unilaterally decrease funds allocated to Contractor in the event that the City determines that the Contractor has failed to provide adequate services as required in this Agreement. Any reallocation of funds shall be in conformance with the methodology delineated in the One-Stop Performance Evaluation Policy and Process, and any amendments thereto as approved by the City Council, and which is incorporated by reference herein.
2. The City reserves the right to offer Contractor additional funds in conformance with the methodology found in the One-Stop Performance evaluation Policy and Process. Such reallocation of funds will be by written amendment to this Agreement to be negotiated and mutually agreed to by the parties.

4. METHODS AND PROCEDURES GOVERNING PAYMENT

§401 ADVANCE PAYMENTS

In the event that the Contractor was designated on the City approved Budget/Expenditure Work Plan as eligible to receive advance funds, the following conditions shall apply:

A. The City may permit an advance payment based on documented cash flow needs of the Contractor and in accordance with Federal, State, and City cash management policies. These funds shall be deposited in the Contractor's Special Los Angeles City bank account and shall not be commingled with any other funds of Contractor.

1. All funds pertaining to this Agreement advanced to the Contractor by the City shall be deposited in this special Los Angeles City Bank Account upon receipt of the funds. Interest earned on advances under the Agreement is regarded as program income, must be reported on the monthly invoice, and must be returned to the City quarterly by separate check made payable to the City. Contractor shall secure City authorization in writing before any changes are made to the Depository Agreement. The City, at its option, may require that no funds be advanced to Contractor until Contractor has provided for the security of advance funds by one of the following three methods:
 - a) Surety/Performance Bond
 - b) Standby or Direct Letter of Credit
 - c) Blocked Savings Account
2. The amount and form of the security, if required shall be determined by the City as noted on Exhibit A, Insurance Requirements and is subject to prior City approval.

B. Contractor's request for advance funds shall be in writing by submitting the monthly expenditure report and providing all documentation and information as required by the City, including the number of the Special Los Angeles

City Bank Account, and the name, address, and telephone number of the bank. The request must be justified based on the Contractor's written estimated disbursement needs for the next 30 days.

C. Contractor shall earn all advances in accordance with the cost reimbursement policy stated here, and shall return advances to City when demanded.

D. Interest earned on advances under this Agreement is to be regarded as program income, must be identified on the monthly expenditure report, and must be returned to the City quarterly by separate check made payable to the City.

§ 402 WITHHELD PAYMENTS

A. Unearned payments under this Agreement may be suspended or not released if funds granted to the City are suspended or terminated.

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 earned funds.

C. In the event of a final determination of disallowed costs or a determination of unearned grant funds by either the City of Los Angeles, the State of California, or the Federal Grantor Agency, Contractor agrees that it shall pay to the City of Los Angeles in non-federal funds, the amount of the final disallowance within thirty (30) days of receipt of notice from the City that such funds are due.

D. Payments to the Contractor may be unilaterally withheld or reduced by the City if the Contractor fails to comply with the provisions of this Agreement.

§ 403 FUNDS EARNED PRIOR TO THE COMMENCEMENT OF THIS AGREEMENT

The Contractor shall not earn funds provided under this Agreement prior to the commencement of this Agreement. The Contractor shall not earn funds subsequent to suspension or termination of this Agreement.

§ 404. ALLOWABLE AND UNALLOWABLE COSTS

A. To be eligible for cost reimbursement payment under this Agreement, costs must be made in compliance with this Agreement, and Office of Management and Budget Circular (OMB) A-122, 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 the approved Budget/Expenditure Work Plan on file and approved by the City. The City shall have final authority to determine in good faith whether an 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 in accordance with approved accounting procedures.
4. Not be included as a cost or used to meet cost sharing or matching requirements for any other government funding source in either the current or a prior period, except when permitted by the respective government funding sources.

B. The following costs, among others, are specifically unallowable:

1. Bad Debts: Any losses arising from un-collectible 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 borrowings (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: Contractor shall be compensated for Contractor's reasonable expenses incurred in the performance of this Agreement, to include travel and per diem costs, unless otherwise expressed. Contractor's total travel for in-State and /or out-of-State and per diem costs shall be included in the contract budget(s). All travel including out-of-State travel not included in the budget(s) shall not be reimbursed.
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 procedure unless specifically waived by the City.
11. Insurance policies offering protection against debts established by the Federal Government.
12. Costs prohibited by 29 CFR part 93 (Lobbying Restrictions) or costs of any salaries or expenses related to any activity designed to influence legislation or appropriations pending before the Congress of the United States;
13. Advancements or reimbursements for expenditures that are determined by the City to be unallowable must be immediately returned to the City.
14. Grant funds may not be used to supplant existing services.

§405 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 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. This 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.

§406. RETURN of Program Income

The Contractor shall, within forty-five (45) days of the expiration of this Agreement, transmit to the City Treasury 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 to the City as required by 24 CFR 85.25 and 24 CFR 570.503(b)(8).

[FOR OTHER FEDERAL GRANTS, SEE APPLICABLE REGULATIONS AS NEEDED]

§407. Return of Unexpended Funds and Closeouts

A. The Contractor agrees that either upon completion or termination of this Agreement any unexpended funds, whether advances, interest earned on advances or unearned funds, shall be immediately returned to the City Treasury; in no event later than forty five (45) days after completion or termination.

B. The Contractor shall submit a complete and accurate final closeout invoice of costs and reimbursements for services performed under this Agreement to the City within forty five (45) days following the termination or completion of this Agreement. Failure by the Contractor to comply with the 45 day requirement may result in a unilateral close-out of this Agreement by the City based on previous invoices filed with the City, and/or the imposition of sanctions as specified herein.

§ 408. VALIDITY OF FINANCIAL DOCUMENTATION SUBMISSIONS

Financial reports submitted to the City shall be accurate and correct in all respects. 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 between the Contractor and the City in written amendment.

(Add for WIA funded contracts ONLY renumber paragraphs)

§409. CUSTOMER RELATED THIRD-PARTY COSTS

A. Definition:

Customer related third-party costs shall be defined as costs incurred for work experience wages, and fringe benefits; supportive services and needs related payments; and third party training agreements (OJT) subcontracts and procured tuition payment/voucher agreement, as allowed to Contractor in the approved Budget Expenditure Plan and Statement of Work Plan.

B. Limitations

1. Contractor shall provide necessary and allowable supportive services and needs related payments to eligible customers who would not otherwise be able to participate.
2. Contractor shall comply with supportive services guidelines as defined in §101(46) and §134e(2) and (3) of the WIA, the City Directive 03-40, until superceded by City Directive and any amendments thereto, which are incorporated herein by this reference.
3. The cost of the supportive service must be paid directly to the vendor of the particular service wherever possible.
4. All wages earned or other cash funds provided to a customer must be paid in the form of a check or voucher that documents the amount paid and the appropriate withholdings.

C. Documentation: Contractor shall obtain and maintain on file documentation to support all requests for cost reimbursements. At a minimum documentation shall include the following:

1. Copies of time cards and canceled checks for wages paid to work experience and customized training customers.

2. Copies of time cards and canceled checks for wages paid.
3. Copies of On Job Training (OJT) agreements, customer payroll records, timecards, OJT employer invoices, records of monitoring site visits to employers, and employer evaluation of skills acquired by customer.
4. Copies of invoices from vendors and canceled checks paid to vendors for supportive services or tuition.
5. Copies of needs based assessment, payment authorization, and canceled check paid to the customer.
6. Copies of learning incentive and bonus assessment, payment authorization, and canceled check paid to the customer.
7. Copies of the childcare supportive needs assessment, the agreement form, and canceled check paid to the childcare provider.
8. Copies of valid voucher for Individual Training Account eligible training provider documentation in accordance with City directives.

5. STANDARD PROVISIONS

§501. Indemnification

Except for the active negligence or willful misconduct of City, or any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest, Contractor undertakes and agrees to defend, indemnify, and hold harmless City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions, or willful misconduct incident to the performance of this Agreement by the Contractor or its subcontractors of any tier. The provisions of this paragraph survive expiration or termination of 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 Insurance Requirements Sheet (Form Gen 146/IR in Exhibit A hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General 133 and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit A, and shall otherwise be in a form acceptable to the City Attorney. 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 thirty (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 or 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.

§507. Excusable Delays

In the event that performance on the part of any party hereto shall be 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 shall include, but not be 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; unusually severe weather; 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.

§508. Prohibition Against Assignment or Delegation

A. The Contractor shall not assign, delegate, subcontract, transfer, novate, or otherwise alienate this Agreement, nor assign or transfer any right, interest or obligation in this Agreement, including the right to payment, without prior written consent of the City.

B. The Contractor shall not enter into any agreement with any other party under which such other party shall become the recipient of claims due or to become due to the Contractor from the City without prior written consent of the City.

§509. Permits

The Contractor and its officers, agents, and employees shall obtain and maintain all permits and licenses necessary for the Contractor's performance hereunder and shall pay any fees required therefore. The City is not permitted to waive any fees for services, except as otherwise required by law. Among the permits and licenses that may be required are Conditional Use Permits, B-Permits, Building Permits, Incorporation Fees, or State Licensing Fees of any kind.

The Contractor further certifies to immediately notify the City of any suspension, termination, lapses, non-renewals or restrictions of licenses, certificates, or other documents.

§510. 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 because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, mental disability, marital status, domestic partner status, or medical condition. The Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code Sections 10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of \$1,000 but not more than \$100,000, the Equal Employment practices provisions of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code Section 10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of \$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 paragraph.

§511. Claims for Labor and Materials

The Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement so as to prevent any lien or other claim under any provision of law from arising against any

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 coverages 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 interests 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. Bonds

Duplicate copies of all bonds that may be required hereunder shall conform to City requirements established by charter, ordinance or policy and shall be filed with the Office of the City Attorney for its review in accordance with Los Angeles Administrative Code Sections 11.47 through 11.56.

§504. Construction of Provisions and Titles Herein

All titles or subtitles appearing herein 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 Agreement shall be construed according to its fair meaning and not strictly for or against the City or the Contractor. The word "Contractor" herein and in any amendments hereto includes the party or parties identified in this Agreement. The singular shall include the plural. If there is more than one Contractor as identified 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.

§505. 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. This Agreement shall be enforced and interpreted under the laws of the State of California and the City.

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

§506. Integrated Agreement

This Agreement 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. This Agreement may be amended only as provided for herein.

City property (including reports, documents, and other tangible matter produced by the Contractor hereunder), against the 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.

§512 Los Angeles City Business Tax Registration Certificate

The Contractor represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Agreement, the Contractor shall maintain, or obtain as necessary, all such Certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended.

§513. Conflict of Interest

The contractor shall adopt a Code of Conduct in accordance with the requirements of this provision by duly authorized action of its Board of Directors. The Code shall be submitted to the City for approval prior to execution of this Agreement.

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.

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 its 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.

§514. Compliance with State and Federal Statutes and Regulations

The Contractor, in performance of this Agreement, warrants and certifies that it 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. 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 expenditures. Contractor further warrants and certifies that it shall 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

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. Contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. 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

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 OMB Circular A-110 (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

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 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. 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. 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. 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.

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 \$100,000.00 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. 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, the U.S. Comptroller General and the Auditor 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 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. 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 any subcontracts. For purposes of this Agreement, subcontracts shall include but not be limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.

Contractor shall ensure that the terms of this Agreement with the City are incorporated into all Subcontractor Agreements. The Contractor shall submit all Subcontractor Agreements to the City for review prior to the release of any funds to the subcontractor. The Contractor shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor Agreement.

Labor

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).

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

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.

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

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

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; and (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).

10. Environmental

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 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).

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.

Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 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 U.S.C. § 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).

11. Preservation

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

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.

13. Drug-Free Workplace

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

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

FOR CSBG LANGUAGE INSERT THE FOLLOWING:

CSBG LANGUAGE UNDER STATUTES AND REGULATIONS THE B PART

B. Statutes and Regulations Applicable To This Particular Grant

Contractor shall comply with all applicable requirements of state and federal laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this particular grant program. 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. The Housing and Community Development Act of 1992 (42 USC §5301 et seq.) as amended, 24 CFR Parts 84, 85, 500 et seq.
2. Pro-Children Act of 1994

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 an 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.

3. American-Made Equipment/Products

Contractor shall assure, pursuant to Public Law 103-333, Section 507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.

4. Traveling Expenses

Contractor as provided herein shall be compensated for Contractor's reasonable travel expenses incurred in the performance of this Agreement, to include travel and per diem, unless otherwise expressed. Contractor's total travel for in-State and/or out-of-State and per diem costs shall be included in the contract budget(s). All travel including out-of-State travel not included in the budget(s) shall not be reimbursed without prior written authorization from CDD.

Contractor's administrative-related travel and per diem reimbursement costs shall be reimbursed based on the Contractor's policies and procedures. For programmatic-related travel costs, Contractor's reimbursement rates shall not exceed the amounts established by the State Department of Personnel Administration Rules and Regulations, PML 97-024, Section 599.619, dated July 1, 1997 and Section 599.631, and as amended from time to time.

5. The grant agreement between the City and the State of California Department of Community Services and Development including its general terms and conditions which are hereby incorporated by reference.

6. The Community Services Block Grant Act, 42 U.S.C. 9901 ET SEQ., AND 45 Code of Federal Regulation (CFR) Part 96.

7. The California Community Services Block Grant Program, Government Code 12725 et seq., and Title 22, California Code of Regulations CCR), 100601 et seq.,

8. Sweatfree Code Conduct:

All contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a

public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment or supplies furnished to the State pursuant to the contract have been laundered or produced in whole or in part by, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the SWEATFREE CODE OF CONDUCT as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov and Public Contract Code Section 6108. The Contractor agrees to provide records requested by the Department of Industrial Relations or City to determine compliance with the foregoing requirements.

State of California Nondiscrimination Clause:

During the performance of this agreement, Contractor shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS) mental disability, medical condition (Cancer) age (over 40), marital status, pregnancy disability and denial of family care leave. Contractor shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor shall comply with the provisions of the Fair Employment and Housing Act (Gov., Code §12900 set seq.) and the application regulations promulgated there under California Code of Regulations Title 2, Sec., 7285 et seq. The applicable regulations of the Fair Employment and Housing Commission implementing Gov., Code §12990 set forth in Chapter 5, Div., 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement. The Contractor shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

THIS IS THE LANGUAGE FOR WIA CONTRACTS ONLY MAKE SURE YOU RENUMBER THE PARAGRAPHS

COMPLIANCE WITH STATUTES AND REGULATIONS

Contractor warrants and certifies that in the performance of this Agreement, it 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 laws and regulations pertaining to labor, wages, hours and other conditions of employment and City's anti-discrimination provision, Affirmative Action Plan, and WIA customer's compliance with Selective Service Act. Contractor further warrants and certifies that it shall comply with new, amended, or revised laws, regulations, policies, and/or procedures that apply to the performance of this Agreement.

Examples of applicable statutes, rules or regulations include, but are not limited to, the following:

1. Workforce Investment Act of 1998 (WIA) (20 USC 2801, et seq.), and any amendments thereto, and regulations (20 CFR 652 et. seq. 20 CFR, Part 31, 32, 96 and 97) and any amendments thereto.
2. Governor's Executive Orders implementing WIA, any amendments thereto and regulations adopted.
3. Wagner-Peyser Act (29 USC 49 et seq.).
4. Provisions of the Grant Agreements between the City and the U.S. Department of Labor, and between the City and the State of California, pursuant to WIA, including their General Terms and Conditions, which are hereby incorporated by reference as though set forth herein in full.
5. City of Los Angeles WIA policies as set forth in the request for certification from which this Agreement is funded.
6. City of Los Angeles administrative procedures and notices released in the form of City Information Bulletins or City Directives.
7. During the performance of this Agreement, the Contractor, and its subcontractors shall not deny WIA benefits to any person on the basis of religion, color, ethnic groups identification, sex, age physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for

employment because of race, religion, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, domestic partner status, age, sex or sexual orientation. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

8. Age Discrimination Act of 1975, as amended (42 USC §6101, et seq.) and implementing regulations.
9. Americans with Disabilities Act (ADA), PL 101-336 and all applicable regulations.
10. Archaeological and Historic Preservation Act of 1974 (USC §§469a-1 et seq.
11. Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 USC §§1451 et seq.
12. California Labor Code §1720 et seq.
13. Clean Air Act as amended (42 USC 1857, et seq.).
14. Coastal Barrier Resources Act, PL 97-348 dated October 19, 1982, 16 USC §§3501 et seq.
15. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended (PL 91-616).
16. Contract Work Hours and Safety Standards Act (40 USC 327-330) (29 CFR, Part 5).
17. Contract Work Hours and Safety Standards Act §§103 and 107 (40 USC 327-333, as supplemented by Department of Labor regulations 29 CFR Part 5).
18. Contractor will comply with Equal Opportunity/Nondiscrimination Policy (Directive 01-52) and the City of Los Angeles Local Workforce Investment Area Complaint Resolution Procedures (Directive 01-31).
19. Copeland Anti-Kick Back Act (18 USC 874, 4042, 4121-4128, 4162, as supplemented in Department of Labor regulations, 29 CFR Part 3, 40 USC §276c).
20. Davis-Bacon Act (40 USC 276a et seq., as supplemented by Department of Labor regulations 29 CFR Part 5).
21. Drug Abuse Office and Treatment Act of 1972, as amended (PL 92-255).
22. Drug Free Workplace Act of 1988, PL 100-690, Title V, Subtitle D.
23. Endangered Species Act of 1973, as amended (PL 93-205).
24. Energy Policy and Conservation Act (PL 94-163, December 22, 1975, 42 USC §6201 et seq., as amended).
25. Executive Order 11063 dated November 20, 1962
26. Executive Order 11593 (Identification and Protection of Historic Properties).
27. Executive Order 11738 (Notification of Violating Facilities).
28. Executive Order 11988 (Evaluation of Flood Hazards in Floodplains).
29. Executive Order 11990 (Protection of Wetlands).
30. Executive Order 12549 (Federal regulations regarding debarment contained in the Executive Order), and

29 CFR part 98, §98.510, and any amendment thereto.

31. Fair Employment and Housing Act (Government Code, §12900 et seq.), the regulations promulgated thereunder (California Administrative Code, Title 2, §7285m et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, §§11135-11139.5) and the regulations or standards adopted by the City to implement such article.
32. Family Economic Security Act, CUIS 1500 et seq. and any successor legislation.
33. Federal Fair Labor Standards Act, 29 USC §201.
34. Federal Water Pollution Control Act, as amended, 33 USC 1251, et seq.
35. Flood Disaster Protection Act of 1973 §102(a) (PL 93-234).
36. Hatch Act (5 USC §§1501-1508 and 7324-7328).
37. Intergovernmental Personnel Act of 1970 (42 USC §§4728-4763, Appendix A of OPM's Standards for a Merit System of Personnel Administration, 5CFR 900, Subpart F).
38. Laboratory Animal Welfare Act of 1966, as amended (PL 89-544, 7 USC §§2131 et seq.).
39. Lead-Based Paint Poisoning Prevention Act (42 USC §§4801 et seq.).
40. Military Selective Service Act, §3 (50 USC App. 453).
41. National Environmental Policy Act of 1969 (PL 91-190, Executive Order 11514).
42. National Historical Preservation Act of 1966 §106, as amended (16 USC §470).
43. Office of Management and Budget (OMB) Circular A-122, Cost Principles for Non-Profit/Non-Governmental Organizations.
44. Office of Management and Budget (OMB) Circular A-87, Cost Principles Applicable to Grants and Contracts with State and Local Governments.
45. PL 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
46. Public Health Service Act of 1912 (§§523 and 527), as amended (42 USC §§290 dd-3 and 290 ee-3).
47. Rehabilitation Act of 1973 (§503 and §504), PL 93-112, as amended, 20 USC 794, and implementing regulations issued at 45 CFR, Part 84.
48. Rehabilitation Act of 1973 §504, as amended (29 USC §794).
49. Safe Drinking Water Act of 1974, as amended (PL 93-523).
50. Single Audit Act PL 98-502 and OMB Circulars A-110 and A-128 or A-133 as applicable.
51. Title IX of the Education Amendments of 1972, as amended (20 USC §§1681-1683 and 1685-1686).
52. Title VI, VII, and VIII of the Civil Rights Act of 1964 (42 USC 2000d) and implementing regulations; PL 88-352, as amended; and 42 USC §§3601 et seq., as amended;
53. Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646).

54. Wild and Scenic Rivers Act of 1968 (16 USC §§1271 et seq.).
55. Section 508 of the Clean Water Act (38 U.S.C. §1368).
56. Sweatfree Code Conduct:

All contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment or supplies furnished to the State pursuant to the contract have been laundered or produced in whole or in part by, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the SWEATFREE CODE OF CONDUCT as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov and Public Contract Code Section 6108. The Contractor agrees to provide records requested by the Department of Industrial Relations or City to determine compliance with the foregoing requirements.

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§515. 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.

[The Following Provision applies to Federal Grants except WIA. For WIA see their Standard Boilerplate]

§516. 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. Sections 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, manufacture, improve upon, and allow others to do so for all government 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.

3. Contractor shall comply with 29 CFR 97.34.

D. Rights to Data

The Grantor and the City shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 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)).

E. Trade Secrets

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

F. 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.

FOR WIA CONTRACTS ONLY SUBSTITUTE THIS INVENTIONS, PATENTS AND COPYRIGHTS LANGUAGE FOR

§516 IN THE REGULAR BOILER

§516 INVENTION, PATENTS AND COPYRIGHTS

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.

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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.

Copyright Policy

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 City's discretion, may copyright the Material. If the City declines to copyright the Material, the City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.

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 29 CFR 97.34

Rights to Data

The Grantor and the City shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 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)).

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.

Intellectual Property Provisions for California Sub-Grants

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.

Ownership

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 Contract.

For the purposes of this Contract, 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 or jurisdiction.

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 or 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.

In the performance of this Contract, Contractor may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Contract. In addition, under this Contract, Contractor may access and utilize certain of City's/State's Intellectual Property in existence prior to the effective date of this Contract. 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 the 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 Contract, 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.

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 Contract, Contractor shall require the terms of the 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 or indirectly from this Contract or any subcontract.

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.

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.

Retained Rights/License Rights

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 Contract, 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 Contract. 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 Contract, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein. 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 Contract, 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.

Copyright

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 Contract 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 Contract 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 Contract.

All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this Contract 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 Contract may not be reproduced or disseminated without prior written permission from City/State.

Patent Rights

With respect to inventions made by Contractor in the performance of this Contract, which did not result from research and development specifically included in the Contract'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 Contract's scope of work, then Contractor agrees to assign to City/State, without additional compensation, all its right, title and interest in and to such inventions and to assist City/State in securing United States and foreign patents with respect thereto.

Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Contract shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining City/State's prior written approval; and (ii) granting to or obtaining for City/State's, without additional compensation, a license, as described in §718F.3 above, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Contract. 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 Contract, Contractor shall obtain a license under terms acceptable to City/State.

Warranties

Contractor represents and warrants that:

It has secured and will secure all rights and licenses necessary for its performance of this Contract. Neither Contractor's performance of this Contract, nor the exercise by either Party of the rights granted in this Contract, 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 Contract 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.

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.

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.

Of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites locations, property or props that may be used or shown.

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 Contract.

It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Contract for the acquisition, operation or maintenance of computer software in violation of copyright laws. It has no 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 Contract.

CITY/STATE MAKES NO WARRANTY, THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS CONTRACT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

Intellectual Property Indemnity

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/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 Contract. 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 Contract. City/State reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against City/State.

Should any Intellectual Property licensed by the Contractor to City/State under this Contract become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve City/State's right to use the licensed Intellectual Property in accordance with this Contract 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 Contract, without restriction or limitation of any other rights and remedies available at law or in equity.

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.

Survival

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

§517. Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy

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

1. Contractor assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of 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 the Contractor to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.

3. The 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 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 the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of LWO and the SCWRO, and shall incorporate the "Living Wage Ordinance and Service Contractor Worker Retention Ordinance" language.
5. Contractor shall comply with all rules, regulations, and policies promulgated by the designated administrative agency, which may be amended from time to time.

B. Under the provisions of Section 10.36.3(c) and Section 10.37.5(c) of the Los Angeles Administrative Code, the City shall have the authority, under appropriate circumstances, to terminate this contract and otherwise pursue legal remedies that may be available if the City determines that the subject Contractor has violated provisions of the LWO and the SCWRO.

C. Where under the LWO Section 10.37.6(d), the designated administrative agency has determined (a) that the 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 awarding authority in such circumstances may impound monies otherwise due the Contractor in accordance with the following procedures. Impoundment shall mean that from monies due the Contractor, the awarding authority may deduct the amount determined to be due and owing by the 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 there described through final and binding arbitration. Whether the Contractor is to continue work following an impoundment shall remain in the unfettered discretion of the awarding authority. The 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.

§518. Earned Income Tax Credit

This contract is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than twelve dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

§519. Equal Benefits Ordinance

Unless otherwise exempted in accordance with the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, this Agreement is subject to the provisions of the EBO as amended from time to time.

A. During the performance of the Agreement, the Contractor certifies and represents that the Contractor will comply with the EBO. The Contractor agrees to 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 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, Bureau of Contract Administrator, Office of Contract Compliance Section at (213) 847-6480."

B. The failure of the Contractor to comply with the EBO will be deemed to be a material breach of the Agreement by the Awarding Authority.

C. If the Contractor fails to comply with the EBO, the Awarding Authority may cancel, terminate, or suspend the Agreement, in whole or in part, and all monies due or to become due under 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 the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

E. If the Office of Contract Compliance determines that a Contractor has set up or used its Contracting entity for the purpose of evading the intent of the EBO, the Awarding Authority may terminate the Agreement on behalf of the

City. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of the Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.

§520. Contractor Responsibility Ordinance

Unless otherwise exempt in accordance with the provisions of the Ordinance, this Agreement is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of Article 14, Chapter 1 of Division 10 of the Los Angeles Administrative Code, 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 the contract. In accordance with the provisions of this Ordinance, by signing this Agreement, 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, wage and hours, and licensing laws which affect employees. The Contractor further agrees to: (1) notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Contractor is not in compliance with all applicable federal, state, and local laws in performance of this contract; (2) notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the Contractor has violated the provisions of Section 10.40.3 (a) of the Ordinance; (3) ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and (4) ensure that its subcontractor(s), as defined in the Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify Awarding Authorities 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 Ordinance in performance of the subcontract.

§521. Slavery Disclosure Ordinance

This contract may be subject to the Slavery Disclosure Ordinance in the future. If so, Contractor will be notified of the applicability by the City.

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

§522. Child Support Assignment Orders

This Agreement is subject to Section 10.10 of the Los Angeles Administrative Code, Child Support Assignment Orders Ordinance. Pursuant to this Ordinance, Contractor certifies that it will (1) 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) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230 et seq.; and (4) maintain such compliance throughout the term of this Agreement. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Contractor to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the Contractor under the terms of this Agreement, subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Contractor by City. 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 and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the Contractor to obtain compliance of its subcontractors shall constitute a default by the Contractor under the terms of this contract, subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Contractor by the City.

Contractor shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. Contractor assures 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 subdivision (1) of the Public Contract Code 7110.

6. GRANT REQUIREMENTS

§601 REPORTING REQUIREMENTS

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

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

1. Monthly Fiscal Report and Closeout Report

The Contractor shall submit to the City the following reports as identified below:

a. Expenditure Report – Due on or before the 15th calendar day excluding weekends and holidays) of each month, the Contractor shall submit the Expenditure Report to the City, which reflects accrued expenditures as of the previous month on forms provided by the City.

b. Cash Request – Due as cash is necessary, but on or before the 15th calendar day (excluding weekends and holidays) of the month, a Cash Request shall be submitted on forms provided. Contractors approved for cash advances shall submit a cash request on or before the 5th calendar day (excluding weekends and holidays) of the month.

2. Closeout Report –

a. Within 21 calendar days following the termination of this Agreement, Contractor shall submit to the City, on forms provided by the City, a complete and accurate final closeout invoice including allowable accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the close-out. Final requests to modify Budget/Expenditure/ Work Plan shall be submitted to the City before final closeout. By submission of the closeout invoice, the Contractor certifies that: a) Costs reported and payments requested are valid and consistent with the terms of the Agreement; and, b) Cash payments received from the City shall be used to pay only for expenditures as reported on the Agreement final closeout invoices. Costs reported and payments made are subject to City verification.

b. In the event Contractor does not submit a final closeout or other required documentation within the prescribed time frame, the City reserves the right to unilaterally closeout the Agreement and use the invoice then on file at City for determination of Contractor's final allowable expenditures. The City will not reimburse the Contractor for expenditures reported after the 21-day closeout date following the termination of this Agreement. The City shall provide to the Contractor the City closeout forms at least 30 days before termination of the Agreement.

3. Annual Inventory Report:

Contractor shall submit an annual inventory report to the City by the period ending as stipulated in this Agreement for all nonexpendable property that has a City identification decal affixed to it. The City shall provide the inventory report form to the Contractor 30 days before the termination date of this Agreement.

4. Report on Reasonable Cost: Contractor shall report to the City costs charged to other funding sources for services, which are the same type of fee-for-performance price services as those covered by this Agreement. If the costs are lower, the Contractor shall submit a justification for charging the City a higher cost. This report shall be submitted by the Contractor within 30 calendar days after the execution of the Agreement with the other funding source(s).

§602 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. The City may, at its discretion, take possession of and retain the records. Before destruction of records retained under this Agreement, Contractor shall notify the City and request instructions on disposition of the records.

B. Location of Records: Records (including, but not limited to, customer 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 the City.

§603 CUSTOMER/APPLICANT FILES

Contractor shall complete and maintain on-site in the customer's file the following documents, as prescribed by program requirements: 1) Application for all applicants; 2) Eligibility documents (see Note below); 3) Assessment documents; 4) Standard Worksite Training Agreement (when applicable); 5) Progress reports; 6) Counseling documents, 7) Job development records; 8) Exit documents; 9) Post Placement Follow-up documentation;) Documentation of follow-up services; 11) Employer Verification documents; 12) Verification documents for training completion; 13) Written documentation that customer has received: Program Orientation, Supportive Services Information, City Complaint Resolution Procedures, Contractor Customer Complaint Resolution Procedures; 14) Documentation of supportive services received; and 15) Documentation of credential received as a result of training.

NOTE: The City requires the Contractor to verify and certify eligibility and maintain in the customer file, on-site, all eligibility documentation prior to, or as of, the date the applicant is registered in the program.

§ 604 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 Contractor and reconciled with the record card annually or at other times as the City shall prescribe.

§ 605 PURCHASE OR LEASE OF EQUIPMENT

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 agreement 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 prior City written approval.

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

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.

§606. 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 subgrant and contract awards, obligations, unobligated 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 subgrant and contract;
 - d. Source documentation to support accounting records;
 - e. Proper charging of costs and cost allocation; and be sufficient to:
 - f. Permit preparation of required reports;
 - g. 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;
 - h. "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.

§ 607 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 subcontractor for reimbursement of costs, until it has received adequate documentation from the subcontractor that the expenditures are reasonable and allowable under the subagreement. All documentation must remain on file at Contractor's office.

§608 AUDITS AND INSPECTIONS

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

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 subcontractor's personnel for the purpose of interviews and discussions related to such documents.

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 PL 98-502 and the implementing OMB Circulars, and any administrative regulation or field memos implementing the Act.

When total expenditures under all Federal programs in a fiscal year equal or exceed \$500,000, the Contractor shall conduct or have conducted on an annual basis, audits in accordance with the Single Audit Act of 1984, PL 98-502, implementing regulations in OMB Circulars A-133 as applicable, (City Council action dated February 4, 1987, 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 within nine (9) months after the close of the Contractor's fiscal year.

Contractors who meet the above threshold shall annually subcontract with a qualified independent auditor.

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.

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.

The Contractor, not later than thirty (30) days following receipt of the final audit report and within nine (9) months after the close of Contractor's fiscal year, shall submit two copies of the report to the Audit Section of the City's Community Development Department.

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.

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 an 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:

Report on the Schedule of Federal Financial Assistance (Grant funds earned through contract performance);
Report on internal controls (accounting and Administrative) that were evaluated, the scope of the auditor's assessment work and any significant weaknesses found;

Opinion on compliance with contract provisions and specific requirements applicable to Federal financial assistance;

Report on compliance with general requirements applicable to Federal financial assistance; and
Schedule of findings and questioned costs.

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:

Withhold a percentage of assistance payments, at the City's sole discretion, until the audit is completed satisfactorily and submitted to the Department;

Withhold or disallow and require return of overhead and administrative costs;

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.
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.

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. 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.

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.

§609. 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 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 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, 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.

§610. Security Clearance and Tuberculosis Test of Staff and Volunteers

A. Contractor hereby certifies that by signing this Agreement, Contractor and subcontractor 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 Contractor shall be responsible for obtaining security clearances for staff whose duties require a sufficient level of interaction with youth.

B. Contractor hereby certifies that by signing this Agreement, Contractor shall have Tuberculosis (TB) tests completed on any staff member working with the youth.

C. Contractor shall maintain proof of Security Clearance and TB tests of all staff, including those of the subcontractors, and make these records available for future inspection.

§611. 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 law.

§612. 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.

§613. Management Information System Records and Reports

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

B. The City shall rely upon and use records and monthly invoices located at the City, and on-site verifications, as needed, to substantiate Contractor'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. The City may contact Contractor staff, participants, subcontractors, training institutions or schools to verify the documentation supporting performance and compliance with this Agreement.

§614. 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.

§615. 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.

§616. Employment Opportunities for Low Income Persons and Small Businesses FOR CDBG AGREEMENTS ONLY.

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 contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract 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 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, 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 persons(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 an 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 with any subcontractor 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 contract 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 contract for default, 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 contract. 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).

§617. 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.

§618. Listing of Contractor's Employment Opportunities with EDD

Contractor shall list all Contractor's 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.

§619. Technical Assistance

Should Contractor need technical assistance from the City regarding matters that are the subject of 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.

§620. Effect of Legal Judgment

Should any covenant, condition or provision contained in this Agreement be held in 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 in this Agreement.

The Following Provision is only applicable to CSBG contracts]

§621. Administrative Hearing for Denial of Client Benefits by Contractor

A. Contractor has read and agrees to strictly comply with Title 22 of the California Code of Regulations, Section 100751, as amended, which sets forth elements to be included in client benefit denial appeal procedures and shall advise individuals who have been denied assistance of their 20-day right to appeal to the State for an administrative hearing pursuant to 42 USC 8624(b) (13), as amended.

B. The client may withdraw request for appeal for administrative hearing at any time during the appeal process by rendering written or oral notice to the State. Where oral notice is given, such notice shall be confirmed in writing by the parties.

[The following provision may vary depending upon funding source]

§622. 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 as worship, religious instruction, or proselytization, as part of the programs or services funded under this Contact.

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 as worship, religious instruction, or proselytization.

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.

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.

C. 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.

D. 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.

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 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.

7. SUBCONTRACT AND PROCUREMENT PROCEDURES

§701. Subcontracts

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

B. Subcontracts entered into in the performance of this Agreement shall:

1. Be subject to the terms and conditions set forth in of this Agreement. City may require incorporation of the applicable provisions in a written agreement;

2. Specifically prohibit assignment or transfer of interest without prior written approval by the City;
3. Contractor must specifically provide proof, when applicable, of the appropriate permits and/or business licenses.

C. Copy of each executed subcontract, or amendment(s) thereto, shall be submitted to the City prior to payment.

§702. Procurement Procedures

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. It is the City's intent that the following rules be binding upon the City and its subcontractors. 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. Requests for Proposals (RFPs) may allow a bidder to identify in its bid the subcontractors it intends to use for the project. Subcontractors so identified may be included in the award of contract without the need for any additional bid process.

D. Responsibilities.

1. The following procedures shall apply to all procurement 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 RFP/RFQ to anyone who requests it. Contractor shall compile a list of everyone requesting a copy of the RFP/RFQ.
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 not use funds provided under the 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.
7. The Contractor shall maintain records that are sufficient to detail the significant history of a procurement procedure in compliance with 29 CFR 97.36. 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, rationale and reasonable rating criteria and the basis for the contract type. Records regarding the history of a procurement procedure shall comply with 29 CFR 7.36.
8. The Contractor shall keep records sufficient to insure that funds have not been spent unlawfully.
9. The Contractor shall retain all records pertinent to any procurement agreement/contract within the County of Los Angeles for a period of three 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.
10. The Contractor shall not contract with any party which is debarred, suspended or otherwise excluded from participation in Federal assistance programs in accordance with Department of Labor regulations at 29 CFR Part 98. 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 lists.

11. Procurement shall be conducted at least once every three years.
12. Procurement activities must be conducted in a confidential manner. Staff involved in procurement must not divulge advance purchasing information, specific proposal/offer evaluation criteria, negotiations with bidders or in-house discussions regarding a procurement until such time as this information is released to all parties.
13. 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 only proposals received by the deadline specified in the RFP/RFQ qualify for the evaluation process unless there is a valid legal reason for otherwise considering a late proposal.

14. 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 evaluators).
 - g. Identify policy and process by which selection of awardee(s) will be made.
 - h. Provide an opportunity for bidders to appeal staff recommendations.

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

15. Contractor shall identify complete and timely proposals. Contractor shall review the technical merits of these proposals based on the rating criteria contained in the RFP/RFQ. Contractor shall review the cost proposals based on applicable cost principles and the technical proposal. For participant service RFPs/RFQs demonstrated performance and ability must be documented and should include independently verified information and data.

Contractor shall determine which proposals are in the competitive range for technical response and based on the cost and price analysis conducted prior to the RFP/RFQ are within the cost and price criteria.

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.

Contractor shall determine for participant service RFPs the demonstrated performance and ability of the highest rated offeror(s). This determination must be documented and should include independently verified information and data.

16. Private for-profit entities must obtain prior written approval from the City for purchases of personal property (other than supplies) using Agreement funds.
17. Contractor shall conduct and document oversight to ensure compliance with these procurement procedures.
18. City may procure goods and services from other governmental entities in accordance with Agreement procurement regulations. Contracts may not charge higher prices than that available to the general public. All such contracts are subject to cost reasonableness requirements.
- a. In-school youth programs may be sole sourced to public and nonprofit private secondary schools.

- b. City may use as the basis for selecting a provider a procurement process from another government in its market area upon review of the procurement process and City determination that such process complies with this Agreement and local law.
 - c. City may use the Central City Purchasing agent in order to procure office supplies, basic equipment and other similar goods.
 - d. The City may authorize its Contractor to use a vendor subcontractor who has been already procured by the City without requiring a further procurement process.
19. If the State of California or the City of Los Angeles has established a debt against an Agreement 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 Human Services funds.
20. The City will use the definition of a private postsecondary education institute as defined in the California Education Code Section 94302(w) as any person doing business in California that offers to provide or provides, for a tuition, fee, or other charge, any instruction, training, or education primarily to people who completed or terminated their secondary education or are beyond the age of compulsory high school attendance. Information Bulletin B95-83 provides further guidance regarding post secondary education.
21. Participation of Minorities, Women and Small Businesses

To the fullest extent possible in the administration of this Agreement, Contractor agrees to provide opportunities for minorities, women and small businesses to participate in procurement under this Agreement.

E. 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 shall 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 independently developed cost estimates.

The following cost analysis steps shall be used 1) verify cost or pricing data and evaluate cost elements; 2) evaluate the effect of the offeror's current practices on future costs; 3) compare proposed costs for individual cost elements; 4) verify that offeror's cost submissions are in accordance with cost principles (allowable/allocable), and 5) 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 income 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.
6. All Contractors must comply with 24 CFR section 85.25 income regulations and City contract provisions regarding program income.
7. All goods and services procured pursuant to the Agreement must be in compliance with the allowable cost provisions in 29 CFR §97.27, 29 CFR 97.22 and 20 CFR 667.200, and any State or Federal directives on allowable costs.

F. Awarding of Agreement/Contract.

1. Prior to an award of Human Services contract, the City shall make a determination that the Contractor has demonstrated effectiveness in providing RFP documented services. Agreements/Contracts shall be made only with responsible 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 for 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 or 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 applicable law and regulation. Contractor shall make the award(s) and finalize the contract(s). Contractor shall follow established procedures for formal notification of offerors of the results of the evaluations and selection process.

2. The City and its contractors 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.
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 a sub-contractor or a contractor with an approved child care policy within existing delivery systems. However, if a bid results in a tie score, preference may be given to the contractor or a subcontractor 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.

G. 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 which 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 subcontractor, 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 subcontractor 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 subcontractor as early as possible, in writing, of:
 - a. The nature of the funding restrictions;
 - 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.

H. City Code Of Conduct

The contractor shall adopt a Code of Conduct in accordance with the requirements of this provision by duly authorized action of its Board of Directors. The Code shall be submitted to the City for approval prior to execution of this Agreement.

1. 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.
2. 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 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:
 - a. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
 - b. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
 - c. 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.

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.

A subcontract is any agreement entered into by Contractor for the purchase of goods or services with any funds provided by this Agreement.

3. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
4. 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.
5. 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).
6. 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.
7. 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.
8. 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.
9. 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.
10. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor".
11. 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.

I. Methods Of Procurement

Contractor shall use one 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, Los Angeles City Charter §385 through §388, Office of Management and Budget Circular A-110, incorporated herein by reference.

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 subcontracts and documentation that justifies the selection of the successful bidder. The Contractor shall maintain records showing the parties solicited and the bids submitted.

(The small purchase and contracting dollar amounts vary for grants. For WIA the limit is \$50,000)

1. Small Purchase Procedures. Small purchases are made from vendors for goods or services under \$100,000. Following the procedures for small purchase 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	Contacts and Method
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\$0 to \$10,000	1 bid
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Bid may be obtained by telephone but must be documented in writing in the file

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

2. Purchases/Services Over \$100,000 (\$50,000 FOR WIA FUNDS)

- a. 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.
- b. Competitive Proposals. Proposals shall normally be conducted with more than one 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.
- c. Noncompetitive Proposals - Sole Source. To conduct a noncompetitive procurement the criteria here must be met. Sole source contracts shall be procurement through solicitation of a proposal from only one 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 of the following circumstances applies:

- 1) The item or service is available only from a single source; or
- 2) 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
- 3) The awarding agency authorizes noncompetitive proposals; or
- 4) After solicitation of a number of sources, competition is determined inadequate;

(This Provision must be tailored to the Grant)

3. Contract Provisions

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) regulations;
- c. Provisions that describe remedies for breach;

- d. Provisions that describe Grantors CDBG 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.

J.. **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.

[This paragraph applies to WIA-funded contracts]

The selected bidders are offered contracts after the evaluation and negotiation process is completed. The contracts with subrecipients must contain the subrecipient clauses in 29 CFR 97. The provisions listed under Section 627.420(h)(4) (ii) and (iii) are to be included only in applicable agreements. Agreements, with vendors who are not involved with carrying out the program, are not required to contain the clauses in Section 627.420(h) (4). When purchasing material subject to copyright law, the subrecipient must include the copyright provisions in 29 CFR 97.34.

[This paragraph applies to CSBG-funded contracts]

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 subrecipients of such funding shall certify to a Drug-Free Workplace. All awards to subrecipients in excess of \$100,000 shall certify that no funds shall be used for lobbying. All contracts and awards to vendors and subrecipients in excess of \$25,000 shall include debarment certifications.

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 subrecipients 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.

K. **RFP/RFQ Procedures.** It is a City policy to contract for services on the basis of demonstrated competence and reasonable price by obtaining bids or proposals. Before preparing a RFP for the procurement of services, several preliminary activities should be performed including the determination of the City's/Contractor's needs, consulting with contractors and other local governments, and developing an approach to the procurement process. Excluding small purchases, the Contractors must justify the procurement method used for each purchase. Once these activities are completed, the development of a RFP can begin.

The following guidelines apply to the preparation of written RFPs or RFQs. These provisions apply to this Agreement and to City Contractors who will need to make some modification to the language, which clarifies that the solicitation is from the Contractor and not the City. In the RFP process, cost is usually one of several selection criteria that proposers must address in their proposals. By contrast in the RFQ process, cost becomes a selection criterion only after qualified proposers have been identified from a review of their qualifications. RFQs are usually reserved for the selection of engineers, architects, or other highly specialized, technical providers.

The purpose of the guidelines is to present ideas and material that are characteristic of well prepared solicitations. The guidelines are not intended to provide total coverage of any topic. While the guidelines apply generally, exceptional

circumstances may call for modifying or excluding one or more of the suggested provisions. In any case, the RFP or RFQ should be tailored to the job that needs to be done. The arrangement, adequacy, clarity, simplicity and appeal of the solicitation document shall remain the responsibility of the administering agency. To be most effective, a solicitation document should be clear and complete but avoid repetition, legalism or extraneous information. RFPs must be publicly advertised.

1. Standard RFP Format.

a. Cover Page. The cover page should describe briefly the scope of services requested, the format, the issuance date and the deadline of date and time for submission of proposals, and the Contractor contact for further information about the RFP. Include the name, address, telephone number and location of the person to whom the submission is to be made. Exhibit A depicts a sample cover page. If a proposers conference is appropriate, include information on the location, time and date of the event. All RFPs should include a deadline for receipt. Contractors shall have procedures to ensure that only proposals received in accordance with the date and time specified will be reviewed. All RFPs shall include the approximate date of the award notification.

b. Contents. The RFP should contain the following standard items which are discussed below:

Introduction

RFP Provisions

Statement of Work and Evaluation Criteria

Proposal Specifications

RFP Items Not Covered

References

Standard Contract Provisions

Indemnity and Insurance

Signatures and Declarations

Cover letter of proposal

Proposers Conference

Proposal evaluation for Request for Proposals

Disposition of Proposals

Description of failed competition and the rights and options in the event of a failure

RFP Revisions

Staff Reassignments

Grievance procedures to handle and resolve disputes relating to the procurement

Inclusion of Contractual Provisions Required by External Funding Source

City/Contractor Policy Issue Summaries

Affirmative Action

MBE, WBE and Other Business Enterprise Outreach Program.

Sample Policy Statement

Supplementary Instructions to Proposers and Proposer's Affidavit

Contractual Provisions and Certifications (see Exhibit II-X), including, but not limited to, a Certification Regarding Drug-Free Workplace Requirements, only if Contractor receives State CSBG or WIA funds as a funding source under this Agreement; Certification Regarding Lobbying; Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transaction; Certification Regarding Compliance With the Americans With Disabilities Act; Certification Regarding Compliance With Service Contract Worker Retention and Living Wage Ordinances; Certification of Compliance With Child Support Obligations; Certification of Compliance With Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance.

c. Introduction. Describe in general terms the nature, scope and schedule of the work to be contracted, and the Contractor that will be responsible for administering the contract, including name and address of contracting agency. Describe the Contractor's organizational structure that is in place or will be established to facilitate the types of relationships and interactions which will be required to successfully complete the engagement. Present sufficient background and historical information about the project and the Contractor or other agency involved to permit a full understanding of the work to be contracted. State that as a rule all proposals must be submitted in the English language, and that all numerical data must be the dollar-foot-pound-seconds units of measurement.

Describe the minimum and maximum amount of funding for the contract.

Request that proposals be prepared simply and economically, avoiding the use of unnecessary promotional materials. Proposals shall include a Table of Contents and a signature and date block for the offeror. Specify the number of copies of the proposal to be submitted to the Contractor. State that the Contractor shall accept no responsibility for the cost of preparing any proposal.

Request that proposals be enclosed in a single, sealed package plainly marked with the words "Proposal for (name of project as referenced in the RFP)." Declare that proposals shall be made as firm offers for a set period of time following the deadline for submittal. To ensure that the release of a RFP and receipt of any proposals are properly coordinated, contact the Purchasing Division, Department of General Services for assistance.

Direct proposers to address all questions regarding the RFP and their proposals to the assigned Contractor proposal administrator only. State that failure to comply with this requirement, other than as specifically permitted in the RFP, may disqualify a proposer from further consideration.

Contractor shall direct staff to respond to questions regarding the RFP and the submission requirements. Contractor shall record all responses, except those that are clearly answered in the RFP. Contractor shall provide a written copy of the responses to all parties to whom the RFP has been distributed, including those who attended the proposers' conference. This should be provided in a timely and frequent manner to ensure that all proposers are aware of the responses when preparing their proposal.

State that it is the Contractor's intent to award a contract, in a form approved by the Contractor, to the selected proposer. Indicate that the RFP and the contractor's proposal or any part there of may be incorporated into and made a part of the contract. State that the Contractor reserves the right to further negotiate the terms and conditions of the contract. State that the Contractor, however, shall reserve the right to withdraw the RFP, to reject any proposal for noncompliance with RFP provisions, or not to award a contract at any time because of unforeseen circumstances or if it is determined to be in the best interest of the Contractor.

d. Statement of Work. Describe the tasks that the subcontractor will be responsible to perform. Clearly define the type, scope, schedule, and other relevant characteristics of each task. Use quantitative language whenever possible to establish an objective basis from which to evaluate responses. Describe the status and/or progress reporting that will be required of the subcontractor. Specify any other items that proposers should address, including, but not limited to, the following:

- 1) Background or project content

General requirement description

Related projects

Problem statement

Statutory or regulatory foundation

2) *Project objectives

*Purpose

*How results will be used

3) *Scope of work

*Population to be served

*Number to be served

*Training or services to be provided

4) *Period of Performance

5) *Performance Standards

6) *Reporting Requirements

*Must be included in the proposal

Generally RFP based contracts are awarded on the basis of several criteria, such as the level of effort and method proposed to do the work, the credentials and related work experience of subcontractor personnel assigned to do the work, City/Contractor policy issues and price. Describe in the RFP the general criteria the Contractor intends to use to evaluate the written responses, and the assigned weight of each criterion.

Proposed evaluation criteria can be complicated by the varying degrees to which the proposals meet, exceed, or fall below the specific requirements of the RFP. Scale the evaluation process to manageable proportions. The more complete and specific the RFP, the better it serves as a standard for measuring and evaluating proposals. Include a statement that the Contractor shall reserve the right to use such other criteria as may be deemed appropriate in evaluating the proposals, even if such criteria are not mentioned in the RFP. State that proposers submitting the highest-rated written responses may be called for an oral interview to further assess their qualifications. Describe the evaluation criteria that will be used in the interview if different from the written criteria in the RFP. A description of assigned weights may be included if appropriate.

If technical services are to be procured, a technical requirements section should be prepared. The technical requirements section should organize information in a form understandable to potential bidders and Contractor staff. For example, items that might be included in a technical requirements section to procure an automated system include:

Description of current hardware and software operating environment;

Detailed description of all hardware and software requirements;

Indication of need for data conversion assistance;

Outline of orientation and training requirements; and,

Indication of the need for a benchmark demonstration of system capabilities.

e. Proposal Specifications. Request proposers to demonstrate their capability to fulfill the work to be contracted. Proposers should provide specific information about the personnel, including subcontractors, if possible,

who will be assigned to perform the work; past performance on projects of a similar nature including a client list, if possible; the proposed price to complete the work; adequate documentation on the financial status of the firm which will permit the Contractor to evaluate the proposer's ability to complete the work; and other work elements deemed necessary to evaluate the proposals. State that responses to the RFP must be made in accordance with the format set forth in the RFP. Indicate that a comprehensive index which includes a clear definition of the content of the proposal and which identifies the information set forth therein by sequential page number and appropriate reference number is required. State that failure to meet this requirement may be cause for rejection of the proposal as non-responsive. Generally, each proposer should be requested to address the following specifications:

1) Assigned Personnel. The names of the key personnel, whom the proposer employs or plans to employ or hire through subcontract, to perform the requested services. For each person listed, the following information should be provided:

Description of the work he or she will perform;

Amount of time he or she will be assigned to work on the project;

Academic achievements, including all college undergraduate and graduate education;

Relevant work experience in years and level of responsibility.

An organization chart depicting the lines of authority, the relationships of the organizational units and the names of the key personnel who will be doing the work.

2) Project Cost. The total cost to the Contractor, broken down in salaries, expenses, equipment, and in hours and total dollar amount by deliverable task.

Salary, or wage; billing rate for each employee.

The proposed schedule of payment.

All resources proposed to be supplied by the Contractor.

3) Deliverables. The products that the subcontractor will deliver to the Contractor according to a set schedule, including the nature of the deliverables, e.g., oral or written reports, videotapes, or architectural models and, if applicable, number of copies to be provided of written products.

f. RFP Items Not Covered. Proposals should cover the statement of work and all the RFP specifications. Otherwise, proposers should state why the RFP requirements are not being addressed. If proposers wish to present qualifications in addition to the required items such information should be presented under the heading "Additional Qualifications We Wish To Present". Proposers who do not wish to present such information should state: "There are no additional qualifications we wish to present".

g. References. Request proposers to support their presentations by listing successfully completed projects that resemble the work to be done and the dates of completion. Request the name, title, address and phone numbers of a contact for each project.

h. Standard Contract Provisions. Sample standard contract provisions have been provided by the City of Los Angeles for Contractor's use. The document, which is available from the City, is updated periodically. Check with the City to ascertain use of the latest version. Unless the standard provisions are incorporated by reference and attached to the RFP, the general contract provisions that are expected to be included in the contract should be excerpted from the standard provisions document and provided to prospective proposers.

i. Indemnity and Insurance. The standard City of Los Angeles insurance conditions are incorporated into the sample standard subcontract provisions. The specific insurance coverages and limits shall be described by contractor in the RFP. These coverages and limits should be tailored to the individual subcontract. For City contracts they are set by the City Risk Management staff in the Office of the City Administrative Officer of the City of Los Angeles. There are special endorsement forms (Form Gen. 133 through Form Gen. 146) that correspond to each type of insurance required by the City. The appropriate blank forms corresponding to each item filled in on the Insurance

Requirements Sheet should be obtained from the Contractor and attached to the RFP. Contractors will need to modify these forms for their own procurement.

j. Signatures and Declarations. Each proposal must be signed on behalf of the proposer by an officer authorized to bind the proposer, and must include the following declaration:

This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for himself an advantage over any other proposer.

k. Cover Letter of Proposal. The cover letter of each proposal should be limited to one page. The letter must include the title, address and telephone number of the person or persons who will be authorized to represent the proposer. The letter must be signed by a company officer authorized to bind the company to all commitments made in the proposal.

l. Proposers Conference. Determine if a proposers' conference will be conducted. A proposers' conference may be appropriate especially if the work to be contracted has not previously been done by contract or not done at all. If a proposers' conference is to be scheduled, designate a date, time and place at which proposers will be given the opportunity to pose questions about the RFP and notify all parties to whom the RFP has been distributed. The notification can be included in the RFP. Invite proposers to submit their questions in writing prior to the conference, and arrange, to the extent possible, for all questions to be answered at the conference. A memorandum for the proposers listing attendees, documenting in writing each question answered at the conference, any actions taken during the conference, etc. shall be prepared to document the conference and conveyed to the participants. Contractors shall provide this information directly to the proposers who received the RFP but were unable to attend the conference or as an addendum to the RFP for any subsequent requesters. The memorandum should be filed with the record set of contractual documents retained by the Contractor. Materials handed out at the proposer's conference shall be available to all other parties following the conference. If a proposers' conference was not initially planned but the number or extent of questions regarding the RFP indicates a need for one, a separate notice should be mailed and the RFP due date extended if necessary.

m. Proposal Evaluation for Request for Proposals (RFP). Contractor/City shall develop proposal evaluation procedures in accordance with the requirements of Section D.14 above.

n. Failed Competition. The RFP shall provide that it is the Contractor's/City's authority to determine that the procurement process has failed. The basis for failure should include a lack of response to RFP; not enough bidders; a determination that the responses do not agree with mandatory requirements of the RFP; a determination that no proposer demonstrated effectiveness in providing the services solicited, and/or a determination that the award of a contract at this time to any proposer would not be cost effective, responsible or prudent. In the event that the City/Contractor determines that the procurement has failed, it may elect to negotiate a sole source agreement or develop and issue a new Request for Proposals.

o. Disposition of Proposals. State that all proposals submitted in response to the RFP shall become the property of the Contractor/City and a matter of public record. Also, proposers must identify all copyrighted material, trade secrets or other proprietary information that they claim are exempt from disclosure under the Public Records Act (California Code Sections 6250 et seq.). In the event such an exemption is claimed, the proposer shall be requested to state in the proposal that he or she will defend any action brought against the Contractor/City for its refusal to disclose such material, trade secrets or other proprietary information to any party making a request therefore.

p. RFP Revisions. Any revision made to an issued RFP shall be sent to all parties known to have received a copy of the original RFP.

q. Staff Reassignments. If the original selection of a subcontractor will be based in part on the qualifications of specific key individuals named in the proposal, state that the Contractor/City must approve in advance any changes in individuals or levels of commitment to the project. State that the Contractor will reserve the right to have the subcontractor replace any subcontractor project personnel.

r. Inclusion of Contractual Provision Required by External Funding Source. Federal, state and other funding agencies typically impose requirements on recipients of funds that apply to subcontractors. Such requirements should be reflected in RFPs and related contracts.

s. City Policy Issue Summaries.

1) Affirmative Action. The City of Los Angeles' Administrative Code (Division 10, Chapter 1, Article 1, Section 10.8) establishes an affirmative action program for vendors doing business with the City. State that as a condition of contract award, the selected proposer shall be required to comply with the provisions of the City's Affirmative Action program, including the submission of one of the following affirmative action plans: a) a trade association affirmative action plan, b) the proposer's own affirmative action plan, or c) an executed copy of the Los Angeles City Affirmative Action Plan. Refer to the provisions herein regarding nondiscrimination and affirmative action and recite the text of this provision in the RFP. Urge proposers to include an affirmative action plan in their proposals. Attach as an appendix to the RFP the City forms (GSS-AA 1) instructing prospective subcontractors about compliance with the City's Affirmative Action Program.

2) MBE, WBE and Other Business Enterprise Outreach Program. It is the policy of the City to provide minority business enterprises (MBEs), women business enterprises (WBEs) and all other business enterprises an equal opportunity to participate in the performance of all Contractor contracts, including procurement, construction and personal services. This policy applies to all Contractors. Be sure to comply with the provisions of City Executive Directive I-B and 1-C to ensure that MBEs, WBEs, and all other businesses are offered the greatest opportunity to compete for and perform subcontracts and provide personal services to the Contractor.

Include a statement that proposers are to assist the Contractor in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including MBEs and WBEs, have an equal opportunity to compete for and participate in Contractor subcontracts. Inform proposers that equal opportunity will be determined by their good faith efforts comply with the Contractor's outreach program. Advise proposers that participation by MBEs, WBEs, and all other businesses may be in the form of joint ventures or subcontracting. Contractor is responsible for the implementation of MBE/WBE procedures.

3) Child Care Policy. It is the policy of the City to encourage all its vendors to adopt a stated policy on child-care. This policy acknowledges the importance of quality, affordable and accessible child care and commits the Contractor to use its resources as an educator, employer, role model and facilitator to act as a catalyst in expanding the supply of quality, affordable and accessible child care.

Include a statement informing proposers of the City's Child Care Policy and that, to the extent permitted by law, proposers with stated child-care policies shall receive preference in contracting with the Contractor. Instruct proposers to submit childcare declaration statements with their bids or proposals to receive such preferences. Bids are not non-responsive if child-care documents are not provided.

2. Consultant Directory. To assist Contractors in identifying potential subcontractors, the Office of the City Administrative Officer of the City of Los Angeles (CAO) maintains a computerized consultant directory. Firms are listed according to their fields of expertise, e.g., bond counsel, CPA, and human resources. Contact the CAO Productivity Group for access to the directory and for lists of firms in the form of mailing labels, hard copy reports or both.

M. Contract Provisions

All contracts must contain at a minimum the following provisions.

1. Specific deliverables and the basis for payment;
2. Provisions requiring compliance with grant regulations;
3. Provisions that describe remedies for breach;
4. Provisions that describe Agreement's patent and copyright rules;
5. Provisions for termination for cause and convenience;
6. Access to records for audit purposes;
7. Audit requirements;
8. Provisions for payment and delivery;

9. Provisions describing contract amendment procedures;
10. Provisions against assignment;
11. Provisions for equal opportunity and non-discrimination;
12. Provisions prohibiting conflicts of interest.

§703. Records and Audits of Subcontracts

A. Records shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered by any subcontract. Such records shall be retained within the Los Angeles Area for a period of five (5) years after receipt of final payment under this Agreement, unless authorization to remove them is granted in writing by the City.

B. Expenditures pertaining to subcontracts shall be supported by properly executed documents evidencing in detail the nature of the charges.

C. At such times and 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 any subcontract.

D. These records shall be made available to the City for copying, audit, and inspection at any time during normal business hours.

§704. Cost-Plus-a-Percentage-of-Cost-Subcontracting

Under no circumstances shall the Contractor enter into Cost-Plus-a-Percentage-of-Cost subcontracts.

§705. Restriction on Disbursements

No money received pursuant to this Agreement by the Contractor shall be disbursed to any subcontractor except pursuant to a written agreement which incorporates the applicable General Contract Conditions as described herein and unless the subcontractor is in compliance with City requirements with regard to accounting and fiscal matters, to the extent that they are applicable.

§706 PARTICIPATION OF SMALL, MINORITY, AND WOMEN'S BUSINESS

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

1. Invite small, minority, and women's businesses to participate in procurements under this Agreement.
2. Divide total requirements into small requirements to permit maximum small, minority, and women's business participation whenever economically feasible.
3. 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 required.
4. The Contractor shall include the requirements of this section in every subcontract for work in connection with this Agreement and project.

8. REMEDIES

§801. 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 waiver or a breach of any other provision or of a continuing or subsequent breach of the same provision.

§802. AMENDMENTS

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

The Contractor agrees to comply with all future City Directives or any rules, amendments or requirements promulgated by the City affecting this Agreement.

§803. DEFAULTS

Should the Contractor fail for any reason to comply with the contractual obligations of this Agreement, including but not limited to, fails to meet the Performance Standards, fails to start up the program on time, fails to provide services according to plan and/or to benefit customers and the provisions of the Agreement, fails to maintain expenditures at an approved rate in the Budget/Expenditure/ Work Plan fails to resolve performance problems in a timely manner, fails to demonstrate the capabilities to solve identified problems within a specific time, fails to provide necessary fiscal or Management Information Services (MIS) documents to City in a timely manner, fails to maintain agreed cost per placement or fails to utilize City funds in accordance with the terms and conditions of the Agreement, the City reserves the right to take any or all of the following actions at its discretion.

A. Notify Contractor of performance deficiencies in accordance with §505 of this Agreement. Withhold the release of funds. Require that no funds be advanced to Contractor until Contractor has provided for the security of funds advanced by one of the following three methods:

- Surety/performance bond
- Standby or direct letter of credit
- Blocked savings account

B. The amount and form of the security, if required, shall be determined by the City as noted on Exhibit A (Insurance Requirement Form) and is subject to prior City approval. Modify and/or renegotiate the funding/service level and/or make any changes in the general scope of this Agreement. Require Contractor to secure at its own expense the services of Independent Experts. Require specific performance progress reports for identified time periods. Reduce compensation within the scope of the City's reallocation policy. Suspend operations in accordance with §805 below of this Agreement.

[This provision is for WIA only]

Require the Contractor, by an amendment to this Agreement or a new repayment agreement, to make a sufficient number of training and job placements at no cost to the LAX Job Training program to bring the actual cost in line with reasonable cost parameters.

Terminate the Agreement.

§804. NOTICE TO CORRECT PERFORMANCE

A. The City may notify the Contractor of its failure to comply with the terms and conditions of this Agreement by giving written notice, effective upon date of posting, which states the specific performance deficiencies to be corrected.

B. Within ten (10) working days, the Contractor shall reply in writing setting forth the corrective actions that will be undertaken to remedy the performance deficiencies, which actions are subject to City approval in writing.

C. Contractor shall thereafter submit monthly progress reports to the City in accordance with the City approved corrective action plan specifying the actions taken and resolution of the performance deficiencies.

§805. SUSPENSION OF THE AGREEMENT

A. The City may, by giving written notice, suspend all or part of the project operations for Contractor's failure to comply with the terms and conditions of this Agreement; and may notify the bank identified on the City form referenced in §104A.3 above that all funds are frozen pending further notice from the City. This Notice of Suspension shall be effective upon the date of posting.

B. This notice shall set forth the specific conditions of noncompliance and the period provided for corrective action.

C. Within ten (10) working days from the date of written City notification, the Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.

§ 806. 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.

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.

C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.

D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.

E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by the Contractor.

F. The City may withhold any payments due to the Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from the Contractor is determined.

Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §103 of the foregoing Agreement or upon completion of performance of this Agreement.

§807. 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.

§808. 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.

[For WIA contracts the following Provision is required]

§809. COMPLAINT RESOLUTION PROCEDURES

A. City WIA Complaint Resolution Procedures

1. Contractor shall comply with the Los Angeles City WIA Complaint Resolution Procedures, and any changes incorporated therein during the term of this Agreement, in the resolution of complaints alleging a violation of the WIA, the WIA regulations, the grant, or any other Agreements under the Act. City shall furnish a copy of its procedures to Contractor upon execution of this Agreement.
2. Contractor shall provide to each eligible customer and staff employee a copy and/or summary of the City's WIA Complaint Resolution Procedures during orientation. In the event that Contractor subcontracts with another party for the provisions of training or job development services to a customer, the subcontract shall require that the customer receive access to WIA grievance procedures at each tier of service. Contractor shall maintain written documentation on file that each WIA staff person and customer has received information regarding the City's WIA Complaint Resolution Procedures.
3. Contractor shall designate a staff person as the EO complaint officer. The EO Complaints Officer WIA responsibilities will be to: notify the City of Los Angeles, Community Development Department (CDD), EO Compliance Unit within 24 hours of acceptance of a WIA complaint; conduct an informal resolution meeting and attempt to resolve the complaint filed within 15 calendar days of its receipt and acceptance; refer all WIA discrimination complaints directly to the CDD EO Compliance Unit; represent the contractor in WIA administrative hearing conducted under the complaint procedures.

B. Contractor WIA Customer Complaint Resolution Procedures

1. Contractor shall designate an EO/Complaints Officer whose duties will be to develop, administer, and maintain procedures for the resolution of complaints involving Individual Training Accounts and customer employment (On-the-Job Training). Contractor shall advise complainant that all discrimination complaints should be filed directly with the City of Los Angeles, EO/Compliance Unit.
2. Contractor shall provide each customer with a copy of its internal WIA customer complaint resolution procedures upon registration into the program or during orientation. In the event that Contractor subcontracts with another party for the provision of training or job development services to a customer, the subcontract shall require that the customer receive access to WIA grievance procedures at each tier of service. Contractor shall maintain written documentation that each customer has received a copy of Contractor's WIA customer complaint resolution procedures.

C. Contractor shall not discriminate or retaliate against any person, or deny to any person a benefit to which that person is entitled under the provisions of the WIA or WIA Regulations because such person has filed a complaint, has instituted or caused to be instituted any proceeding under or related to the Act, has testified or is about to testify in any such proceeding or investigation, or has provided information or assisted in any investigation.

D. Contractor shall permit the Civil Rights Center (CRC), U.S. Department of Labor (DOL) (or a representative) access to its premises, customers, employees, books, and papers should the need arise during a complaint investigation.

9. ENTIRE AGREEMENT

§901. 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 which impose an on-going duty shall survive beyond the termination or expiration of the Agreement.

§902. 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 insert number pages (xxx) pages and insert number (xxx) Exhibits which constitute the entire understanding and agreement of the parties.

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

APPROVED AS TO FORM AND LEGALITY:
ROCKARD J. DELGADILLO, City Attorney

Executed this _____ day of _____, 200_

By _____
Deputy/Assistant City Attorney
Date _____

For: THE CITY OF LOS ANGELES

RICHARD L. BENBOW
General Manager
Community Development Department

ATTEST:

FRANK T. MARTINEZ, City Clerk

By _____
Title _____

By _____
Deputy City Clerk
Date _____

Executed this _____ day of _____, 2005

For:

(Contractor's Corporate
Seal or Notary)

By _____
Print Name _____
Its _____

ATTEST:

By _____
Print Name _____
Title _____

City Business License Number _____
Internal Revenue Service ID Number _____
Council File/CAO File Number _____ Date of Approval _____
Said Agreement is Number _____ of City Contracts