

City of Los Angeles

Tiena Johnson Hall, General Manager
Luz C. Santiago, Acting Executive Officer



LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager
Craig Arceneaux, Assistant General Manager

housing.lacity.gov

Karen Bass, Mayor

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Council File: 25-0400
Council Districts: Citywide
Contact Persons: Cally Hardy (213) 808-8653
Edwin Sun
Greg Spiegel

Honorable Karen Bass
Mayor, City of Los Angeles
Room 303, City Hall
200 North Spring Street
Los Angeles, CA 90012
Attention: Legislative Coordinator

Honorable Members of the City Council
City of Los Angeles, c/o the City Clerk
City Hall, 200 North Spring Street
Los Angeles, CA 90012

COUNCIL TRANSMITTAL: REPORT FROM LOS ANGELES HOUSING DEPARTMENT WITH RECOMMENDATIONS FOR DEPLOYMENT OF LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY ELIGIBLE JURISDICTION FUNDS IN THE CITY OF LOS ANGELES AND APPROVAL OF FY 2025-26 EXPENDITURE PLAN, MEMORANDUM OF UNDERSTANDING, AND RELATED IMPLEMENTATION ACTIONS

SUMMARY

The General Manager of the Los Angeles Housing Department (LAHD) respectfully requests that your office review and approve this transmittal and forward it to the City Council for further consideration. Through this transmittal, LAHD provides recommendations on proposed uses for the Eligible Jurisdiction funds generated by Measure A, which are provided to the Los Angeles County Affordable Housing Solutions Agency (LACAHS) to be passed through to the City. For Fiscal Year 2025-26, the City of Los Angeles is projected to receive a total of \$135,399,097 in pass-through funds from LACAHS (Eligible Jurisdiction funds), including eligible matching funds. These funds are required to be used to support affordable housing and homelessness prevention efforts, subject to statutory requirements and LACAHS guidelines that govern uses and apportionment of the funds. In addition to requesting approval to receive these funds, this report also requests approval of a proposed Expenditure Plan for LACAHS Eligible Jurisdiction Funds for Fiscal Year 2025-26, and approval of related implementation actions. Finally, this report recommends approval of a Memorandum of Understanding (MOU) with LACAHS.

RECOMMENDATIONS

- I. That the Mayor review this transmittal and forward to the City Council for further action;
- II. That the City Council, subject to the approval of the Mayor:
 - A. AUTHORIZE the General Manager of LAHD or designee, to accept the Eligible Jurisdiction funds from LACAHSA on an annual basis.
 - B. Finalize and execute a MOU with LACAHSA, substantially in the form of the MOU approved by the LACAHSA Board as provided in Attachment 1, subject to the approval of the City Attorney as to form;
 - C. APPROVE the enclosed Expenditure Plan for LACAHSA Eligible Jurisdiction Funds for Fiscal Year 2025-26, as submitted by LAHD, and INSTRUCT the LAHD to submit the adopted Expenditure Plan to LACAHSA;
 - D. DIRECT the City Administrative Officer (CAO), in consultation with LAHD, to report back on recommended use of available LACAHSA Renter Protection and Homelessness Prevention (RPHP) funds to provide Emergency Rental and Flexible Financial Assistance or Short-Term Income Support to support housing stability for participants enrolled in a Time Limited Subsidy (TLS) program, including identification of any supplemental funding sources that would be necessary to bridge potential funding gaps;
 - E. AUTHORIZE the Controller’s Office to:
 - i. Establish a new interest-bearing fund entitled “LACAHSA” for the receipt and disbursement of Los Angeles County Affordable Housing Solutions Agency funds, to be administered by LAHD.
 - ii. Establish a new central Revenue Source Account - LACAHSA within the new Fund and deposit all LACAHSA funds received from Los Angeles County.
 - iii. Establish and appropriate for the following accounts within the new fund.

Account No.	Account Name	Amount
43CD64	PPO-New Construction	\$58,987,332
43CD66	PPO-FL-Prod Presv Ownership Flexible	\$17,371,673
43CD67	RPHP-FA-Renter Prot and Homeless Prev Fin Asst	\$36,345,999
43CD68	Technical Assistance - LACAHSA	\$6,593,378
43CD69	LACAHSA PPO Program Administration Costs	\$10,908,429

43CD70	LACAHSAs RPHP Program Administration Costs	5,192,286
	Total:	\$135,399,097

iv. Transfer appropriations for the following accounts within the new Fund

From:	Account	Account Name	Amount
	43CD68	Technical Assistance - LACAHSAs	184,556.66
To:			
	43C143	Housing	\$118,509.70
	43C299	Reimbursement of GF	\$66,046.96
		Total:	\$184,556.66

v. Increase the following accounts within Fund 100/43

Account No.	Account Name	Amount
001010	Salaries General	103,051.92
006030	Leasing	\$15,457.78
	Total	\$118,509.70

vi. Transfer the amount of \$1,474,629 from Account 43CD68, Technical Assistance – LACAHSAs within the new fund to Account 682/50/TBD titled "BuildLA - LACAHSAs" to support the Multi-Departmental BuildLA Initiative

F. AUTHORIZE the General Manager of LAHD, or designee, to enter into a contract and transfer up to \$29,493,666 to the Housing Authority of the City of Los Angeles (HACLA) from account 43CD64 PPO-New Construction for the implementation of a Social Housing Pilot program.

G. AUTHORIZE by resolution authority the following three (3) new positions in LAHD, to support the design, implementation, and administration of the LACAHSAs PPO and RPHP programs, subject to allocation of the positions by the Board of Civil Service Commissioners and subject to pay grade determination by the City Administrative Officer, and authorize the filling of these positions:

Class Code	Class Title	No. of Positions
8504	Housing Planning and Economic Analyst	2
1513	Senior Accountant II	1

- H. AUTHORIZE the General Manager of LAHD, or designee, to execute a first amended and restated agreement to Contract No. C-201583 with Exygy, Inc., for the expansion and acceleration of the Affordable and Accessible Housing Registry, to increase the contract amount by \$2,490,552 for a new total contract amount not to exceed \$4,854,552, in substantial conformance to the draft document attached (see Attachment 3), subject to contractor’s performance, funding availability, and approval of the City Attorney as to form.
- I. AUTHORIZE the General Manager of LAHD, or designee, to execute amended and restated agreements for each of the three contracts listed in the table below, to allocate a total of \$2,181,760 for the Affordable Housing Asset Data Integrity, Compliance, and Monitoring project (\$981,760) and the Affordable Housing Information System (AHIS) Additional Scope and Feature Expansion project (\$1,200,000), in substantial conformance to the draft document attached (see Attachment 4), subject to the contractor’s performance, funding availability, and approval of the City Attorney as to form.

Contractor	Contract Number	Proposed Amended & Restated #	Existing Contract Amount	Amount of Proposed Extension	Total Amended Contract Amount
Satwic Inc.	C-146312	3	\$9,380,795	\$1,236,760	\$10,617,555
Trinus Corporation	C-146218	2	\$6,538,664	\$340,000	\$6,878,664
3Di, Inc.	C-146057	3	\$4,196,577	\$605,000	\$4,801,577
Total				\$2,181,760	

- J. AUTHORIZE the General Manager of LAHD, or designee, to prepare the Controller Instructions and make any necessary technical adjustments consistent with the Mayor and City Council actions on this matter, subject to the approval of the City Administrative Officer (CAO), and instruct the Controller to implement the instructions.

- K. AUTHORIZE the General Manager of the Bureau of Engineering (BOE), or designee, to revise a Task Order for BOE's contract C-134269 with Psomas.

BACKGROUND

The Los Angeles County Affordable Housing Solutions Agency was established by Senate Bill 679 (SB 679). SB 679 passed the California legislature in 2022 and was signed into law, creating LACAHSAs, a single, countywide agency to address the affordable housing crisis. SB 679 grants LACAHSAs the authority to raise its own public and private revenues to fund the development, acquisition, rehabilitation, and preservation of affordable housing and to protect low-income renters from displacement throughout Los Angeles County, including within the City of Los Angeles. LACAHSAs is governed by a board of twenty-one directors, five of whom are allocated to the City of Los Angeles: One (1) for the Mayor of the City of Los Angeles; three (3) Mayoral appointments of City Council members or housing experts or advocates; and one (1) City Council President appointment of a City Council member or housing expert or advocate. Currently, the City's representatives on the LACAHSAs Board are:

1. The Honorable Mayor Karen Bass
2. The Honorable City Council President Marqueece Harris-Dawson
3. The Honorable City Council Member Nithya Raman (Mayoral appointee)
4. Vacant (Mayoral appointee)
5. President and CEO of California Community Foundation, Miguel Santana (Mayoral appointee)

While LACAHSAs has the authority to generate its own revenue, the funding in this initial Expenditure Plan comes from Measure A. Receiving 58% "yes" votes, Measure A was approved by Los Angeles County voters in 2024, increasing sales taxes in the County by 0.5%.

While the bulk of Measure A proceeds are allocated to homelessness services and interim housing, Measure A requires that 35.75% of its proceeds, net of County tabulation costs, go directly to LACAHSAs for:

- Production, Preservation, and Ownership (PPO): Affordable housing development, preservation of affordable housing, and homeownership programs;
- Renter Protection and Homelessness Prevention (RPHP): Programs to support renters through financial assistance and services; and
- Technical Assistance (TA): Activities that provide analysis, research, planning, evaluation, and/or otherwise study the PPO and RPHP programs to optimize implementation and deployment of funds.

Of LACAHSAs's total revenue, 30% is held by the agency itself. These are sometimes referred to as "agency" funds. The remaining 70% of LACAHSAs's revenue is allocated to Eligible Jurisdictions on a formula basis. These are sometimes referred to as "pass-through" or "Eligible Jurisdiction" funds.

The City of Los Angeles is an Eligible Jurisdiction and, based on the Agency's approved FY 2025-26 Expenditure Plan, will receive a baseline allocation of \$133,421,084 in Eligible Jurisdiction funds for this fiscal year. Both the

agency funds and pass-through funds are subject to statutory requirements and LACAHSAs board guidelines that govern uses and apportionment of the funds.

Finally, LACAHSAs is also providing a five percent (5%) match to the City’s RPHP funding as an incentive for the City to participate in LACAHSAs’s regional coordination planning (planning for a regional Integrated Services Model), bringing the City’s total allocation to \$135,399,097 for FY 2025-26. Table 1 shows the required uses and allocations for the City’s pass-through funds.

Table 1: City of Los Angeles’s Eligible Jurisdiction Fund Allocation FY 2025-2026

Topline Funding Allocations (Approved by the LACAHSAs Board, consistent with Measure A and SB 679 requirements)			
Program		Budgeted Amount	Percentage
Production Preservation Ownership (PPO)	PPO New Construction	\$67,414,093	49.8%
	PPO Flexible	\$19,853,341	14.7%
Renter Protection and Homelessness Prevention (RPHP) (includes 5% match)		\$41,538,285	30.7%
Technical Assistance		\$6,593,378	4.8%
TOTAL		\$135,399,097	100%

Per SB 679, Measure A, and LACAHSAs Board-approved guidelines, the core goals for the expenditure of the annual Eligible Jurisdiction funds include but are not limited to: homelessness prevention, homelessness reduction and an increase to the affordable housing stock. Each Eligible Jurisdiction must regularly report to LACAHSAs on how it is meeting metrics set forth in LACAHSAs’s Program Guidelines and in the LACAHSAs Board-approved MOU.

An Eligible Jurisdiction cannot receive its funding allocation until it has submitted a signed MOU and an approved Expenditure Plan. While LACAHSAs’s Transitional Program Guidelines require Eligible Jurisdictions to submit an approved fiscal year 2025-2026 Expenditure Plan by November 1, 2025, LACAHSAs staff have extended the Eligible Jurisdiction compliance date to February 1, 2026. For all subsequent fiscal years, Eligible Jurisdictions must approve the Expenditure Plan by May 1 prior to the start of the fiscal year on July 1.

During the course of the fiscal year, Eligible Jurisdictions may amend their approved Expenditure Plan based on changing needs and conditions. The revised Expenditure Plan shall be submitted to LACAHSAs as amended.

From June 2025 through September 2025, a working group representing staff from the various City of Los Angeles LACAHSAs board members, LAHD, CAO, and HACLA, collaborated to provide feedback and recommended changes to LACAHSAs's Transitional Program Guidelines. The LACAHSAs Board approved Transitional Program Guidelines for TA at their July 2025 meeting, Transitional Program Guidelines for PPO Programs at their August 2025 meeting, and Transitional Program Guidelines for RPHP Programs at their September 2025 meeting. The Board-approved LACAHSAs Transitional Program Guidelines are included as Attachment 2 to this report.

Joined by representatives of the City Attorney, who consulted with the CAO's Risk Management Unit, this working group also provided feedback and recommended technical changes to the LACAHSAs MOU template. On behalf of the City, the City Attorney's Office negotiated with LACAHSAs staff to reach an agreement on draft terms. On September 17, 2025, the LACAHSAs Board approved the proposed MOU template, which is included as Attachment 1. The City's working group successfully negotiated guidelines and a MOU that allow the City to expend funds in compliance with LACAHSAs's requirements while also providing the flexibility for the City to meet its unique priorities and existing obligations

The City cannot accept and expend LACAHSAs funding until it approves an MOU and FY 2025-2026 Expenditure Plan. Compliant with LACAHSAs's requirements, and focused on most effectively addressing the City's affordable housing needs, this report recommends that the City Council authorize LAHD to enter into an MOU with LACAHSAs, and approve the proposed FY 2025-26 Expenditure Plan.

PROPOSED FY 2025-2026 EXPENDITURE PLAN FOR CITY OF LOS ANGELES'S ELIGIBLE JURISDICTION FUNDING

1. Summary: Proposed FY 2025-26 Eligible Jurisdiction Expenditure Plan

Table 2 shows the overall proposed FY 2025-26 Eligible Jurisdiction Expenditure Plan.

Table 2: City of Los Angeles Proposed FY 2025-2026 Eligible Jurisdiction Expenditure Plan

Proposed Program-level Allocations		Proposed Allocation Amount	Percentage
<u>Production Preservation Ownership (PPO)</u>			
PPO New Construction	LAHD Capital Funds for New Construction Projects via the Homes for LA NOFA	\$29,493,666	22%
	Direct Allocation to HACLA for Social Housing Pilot	\$29,493,666	22%
PPO Flexible	LAHD Asset Protection Fund	\$17,371,673	13%
PPO Program Administration Costs	Program Administration Costs Related to PPO Programs	\$10,908,429	8%
Subtotal - Production Preservation Ownership (PPO)		\$87,267,434	65%
<u>Renter Protection and Homelessness Prevention (RPHP)</u>			
RPHP Financial Assistance	Emergency Rental and Flexible Financial Assistance	\$10,770,671	8%
	Short-Term Income Support	\$25,575,328	19%
RPHP Legal Services	Eviction Defense and Prevention	\$0	0%
RPHP Program Administration Costs	Program Administration Costs Related to RPHP Programs	\$5,192,286	4%
Subtotal - Renter Protections and Homelessness Prevention		\$41,538,285	31%

<u>Technical Assistance</u>			
Staffing Support	Staffing costs for three months of funding for three new positions at LAHD	\$184,557	0%
Contractual Services	Affordable and Accessible Housing Registry	\$2,490,552	2%
	Affordable Housing Asset Data Integrity, Compliance, and Monitoring	\$981,760	1%
	Affordable Housing Information System (AHIS) Additional Scope and Feature Expansion	\$1,200,000	1%
	Multi-Departmental BuildLA Initiative	\$1,474,629	1%
	Other As-Needed Contractual Services	\$261,880	0%
Subtotal - Technical Assistance		\$6,593,378	5%
TOTAL		\$135,399,097	100%

2. Production, Preservation & Ownership (PPO) Proposed Usage

LACAHSAs estimates that in FY 2025-26, the City of Los Angeles will receive a total of \$87,267,434 in Eligible Jurisdiction funding for PPO programs. In summary, Table 3 shows the recommended uses of the City’s PPO Program Allocation for FY 2025-26.

Table 3: City of Los Angeles Proposed FY 2025-2026 PPO Program Allocations:

Proposed Program-level Allocations		Proposed Allocation Amount	Percentage
PPO New Construction	LAHD Capital Funds for New Construction Projects through the Homes for LA NOFA	\$29,493,666	33.8%

	Direct Allocation to HACLA for Social Housing Pilot	\$29,493,666	33.8%
PPO Flexible	LAHD Asset Protection Fund	\$17,371,673	19.9%
PPO Program Administration Costs (PACs)		\$10,908,429.20	12.5%
TOTAL		\$87,267,434	100%

The PPO funds must be used for construction of new affordable housing, the acquisition or substantial rehabilitation of affordable housing, or for operating subsidies that provide long-term support for affordable housing projects. Measure A requires that until June 30, 2035, 77.25% of the funding allocated for PPO be used for new construction and the LACAHSAs Transitional Program Guidelines define “new construction” as the creation of new affordable housing where there was not an existing residential use.

In its approved priorities, the LACAHSAs board allocated \$67,414,093 in PPO New Construction funds to the City for the current fiscal year. The funds shall be used either as capital funds or operating subsidies that support new construction of affordable housing. The remaining PPO funds (\$19,853,341) are allocated as PPO Flexible funds. PPO Flexible funds can be used for any eligible PPO activities including construction, preservation, acquisition, rehabilitation, ownership, and rent and operating subsidies.

Pursuant to the approved Transitional Program Guidelines, PPO funds shall only be used to support deed-restricted affordable housing with minimum covenant terms of 55 years. With very limited exceptions for homeownership assistance programs and certain mixed-income housing models, the PPO funds can only serve lower-income households at 80% Area Median Income (AMI) or below. Homeownership programs using PPO funds also can apply resale restrictions or value recapture provisions within their covenants. Homeownership programs may serve moderate-income households up to 120% AMI. LACAHSAs funds may be used to support mixed-income projects, provided that the LACAHSAs funds only assist the units restricted to low-income households. LACAHSAs Transitional Program Guidelines allow for several mixed-income models, with the least restrictive allowing for funding of any units restricted at or below 80% AMI, and for the inclusion of unrestricted units in the project, as long as the units above 80% AMI are financed with non-LACAHSAs funds and at least 10% of units are restricted at or below 30% AMI and another 10% of units are restricted at or below 50% AMI. Additional feasibility analysis is necessary to evaluate potential mixed-income models that are likely to be able to be supported by LACAHSAs funding.

All rehabilitation and construction work receiving financing from LACAHSAs is subject to prevailing wage, and projects with 40 or more units are additionally subject to the City of Los Angeles Board of Public Works Project Labor Agreement (PLA), or any successor PLA agreed between the Los Angeles/Orange Counties Building and Construction Trades Council and the Southern California Association of Nonprofit Housing and approved by LACAHSAs. Additionally, LACAHSAs requires that 80% of all units produced by the Eligible Jurisdictions using PPO funds be subject to the PLA. Notwithstanding the Board of Public Works PLA, if a PLA is agreed to between a funding recipient, the Los Angeles/Orange Counties Building and Construction Trades Council, and the Western States Regional Council of Carpenters, then a project with 40 or more units is eligible to receive funding if all construction and rehabilitation is subject to that PLA.

Given the various LACAHSAs requirements and the City's housing needs, LAHD recommends the following uses for the City's PPO allocation for FY 2025-26.

PPO New Construction Funds

As described above, PPO New Construction funds are required to support the construction of new affordable housing units. For FY 2025-26, LAHD recommends these funds be allocated as capital funds to support new affordable housing production via two pathways: (1) LAHD's Homes for LA Notice of Funding Availability (NOFA), and (2) a pilot program to directly allocate new construction funding to HACLA.

Homes for LA NOFA, Round Two – \$29,493,666

The Homes for LA NOFA is a centralized application that awards capital and operating funds for a range of activities supporting capital projects. LAHD recommends programming a portion of LACAHSAs PPO New Construction funding into an upcoming second round of the Homes for LA NOFA. This is the most expedient process for LAHD to expend the PPO New Construction funds, since it will use the City's existing administrative framework for financing affordable housing projects.

The Homes for LA NOFA opened in September 2025 and applications closed in October 2025. After reviewing and underwriting the applications, LAHD will have a clearer picture of the market demand and feasibility of the various NOFA programs, including which programs are over or undersubscribed. At that point, LAHD will be able to recommend programming LACAHSAs funds into either an existing funding program, or to create a new funding program specifically designed to effectuate the innovations contemplated by LACAHSAs's chartering legislation. These recommendations for LACAHSAs funding, along with any funds unspent in Round 1, would be incorporated into Round 2 of the Homes for LA NOFA, expected to be presented to the City Council for approval to release in Spring 2026. Together with the HACLA Social Housing Pilot, this use of the PPO New Construction funds will support the LACAHSAs Key Performance Indicator (KPI) goal of producing 9,000 new units of affordable housing by 2030.

LACAHSAs Program Guidelines allow for a 100% affordable housing model and a mixed-income housing model. LAHD will report back to the Council with recommendations for effectuating these models after conducting further feasibility analysis. The Council also requested a report back from LAHD about funding sources available

to provide operating subsidies to Permanent Supportive Housing (PSH) projects (C.F. 25-0721), which could include LACAHSAs funds.

Direct Allocation to HACLA for Social Housing Pilot – \$29,493,666

In addition to deploying LACAHSAs funds through the Homes for LA NOFA, LAHD recommends a pilot program for the first year of LACAHSAs program implementation that would directly allocate a portion of PPO New Construction funding to the Housing Authority of the City of Los Angeles (HACLA), in order to accelerate deployment of capital funds for social housing. Given the agency’s direct access to federal resources, and pipeline readiness, HACLA is uniquely positioned to quickly deploy LACAHSAs PPO New Construction dollars in affordable housing projects. While LAHD needs time to analyze the results of the Round 1 Homes for LA NOFA, HACLA can accelerate its production pipeline with an expedited allocation of LACAHSAs funding. HACLA has identified an ability to deploy LACAHSAs PPO funding to support new social housing through direct project investment, in connection with HACLA’s already entitled large-scale redevelopment projects.

In order to facilitate this pass-through, LAHD proposes to enter into a contract with HACLA to produce an estimated 295 units of new affordable social housing using the available FY 2025-26 LACAHSAs funding. Together with LAHD’s Homes for LA NOFA, this use of the PPO New Construction funds will support the LACAHSAs KPI goal of producing 9,000 new units of affordable housing by 2030. As condition to accessing this direct allocation of funds, LAHD would require HACLA to agree to comply with all requirements of LACAHSAs and the provision of the City’s MOU with LACAHSAs, including PLA requirements, and with the requirements of the City’s Accessible Housing Program (AcHP).

HACLA can leverage LACAHSAs PPO pass-through funds to access a variety of formula funding sources, including Section 9 traditional public housing funds, Section 8 housing choice vouchers, and Restore-Rebuild vouchers.

Restore-Rebuild vouchers are an additional source of rental subsidy, similar to project-based Section 8 vouchers, that HUD allows housing authorities to issue up to their Faircloth cap. The Faircloth cap is a limit on the number of public housing units that a housing authority can operate, based on the number of public housing units it operated as of October 1, 1999. While Restore-Rebuild vouchers provide less rental subsidy than Section 8 vouchers, HACLA is able to braid the two funding sources together to provide more rental subsidy, leverage more debt, and access other sources of capital for housing development projects. By passing LACAHSAs PPO funds to HACLA, the City can expeditiously access larger amounts of Restore-Rebuild funding and quickly complete the capital stacks for new housing projects.

PPO Flexible Funds

PPO Flexible funds can be used for any eligible PPO activities including construction, preservation, acquisition, rehabilitation, ownership, and rent and operating subsidies. For FY 2025-26, LAHD recommends all of these funds be allocated to the City’s Asset Protection Fund to support the critical need for funding to stabilize and preserve at-risk affordable housing.

Expansion of the City's Asset Protection Fund – \$17,371,673

The Asset Protection Fund serves to stabilize and preserve the City's at-risk affordable housing stock, which includes about 7,500 at-risk units in the LAHD portfolio and about 6,000 at-risk units in the HACLA portfolio. This use would harness LAHD's existing frameworks and infrastructure to quickly and efficiently deploy LACAHSA funds to preserve valuable affordable housing.

The Department has about 55,000 units of affordable housing in its portfolio, of which about 7,500 units are considered troubled or at-risk assets. This means that without financial intervention, problem-solving or technical assistance, these projects may lose their affordability, potentially resulting in large-scale displacement of low-income tenants. To support this work, the City Council recently approved 11 new positions for the Housing Development Bureau's Troubled Assets program. These positions focus specifically on stabilizing the City's at-risk and troubled affordable housing assets. These are some of the most vulnerable housing units and projects that require significant intervention to remain in operation.

The City developed the Asset Protection Fund (CF 99-1272-S1) primarily to stabilize City-funded housing assets from facing financial difficulties. The Homes for LA NOFA offers several different preservation programs, but the available funding included in the NOFA is insufficient to stabilize the entire LAHD portfolio. An expanded Asset Protection Fund will assist projects showing signs of financial distress with a goal of avoiding emergency situations like the recent collapse and receivership of Skid Row Housing Trust.

PPO Flexible Funds present a flexible, permanent, ongoing source of funding that is well-positioned to support preservation and stabilization of existing troubled or at-risk affordable housing assets. This supports the goals of LACAHSA funding to preserve existing affordable housing stock, including the LACAHSA KPI of preserving or deepening the affordability of 2,100 homes by 2030.

As a result, LAHD recommends programming the PPO Flexible Funds into the Asset Protection Fund account. This would provide an additional \$17,371,673 in FY 2025-26 to support stabilization efforts for affordable housing projects in the City's portfolio that are at risk of affordability loss. The Department will develop a set of criteria for which projects may be eligible to receive these funds and, depending on other funding sources in the project, whether they are deployed in the form of a grant or a loan. Upon identification of projects recommended to receive funding from the Asset Protection Fund account, the Department will present recommended projects to the City Council for approval. Additionally, the Department will report on an annual basis which projects received the funds, the use of the funds, and how many units were preserved as a result of the investment.

PPO Program Administration Costs (PACs) - \$10,908,429

The LACAHSA Transitional Program Guidelines allow for up to 12.5% of PPO Program funds to be allocated for Program Administration Costs (PACs) related to the administration of PPO Programs. For FY 2025-26, this represents a maximum budget of \$10,908,429.

PACs are costs that support overall program activity. According to LACAHSA's Transitional Program Guidelines, valid PACs include costs for staff-time and overhead costs for planning, general management, oversight, coordination, and implementation of the program as a whole. These are costs that cannot be directly

attributed to a single project or activity. PACs also include coordination activities with other regional initiatives. For the PPO Programs, PACs will primarily include costs related to work performed by existing LAHD staff who are assigned to work on LACAHSAs-funded projects, and would offset costs for existing staff.

By adding LACAHSAs administration funding to support existing staff, LAHD proposes to minimize new costs at this time, while ensuring that additional funding is available to support existing programs that would not otherwise be adequately resourced. LACAHSAs Admin funding could also be used to defray the cost related to new staff proposed to be funded using United to House LA (ULA) Administration funds. LAHD anticipates preparing a proposed LACAHSAs Expenditure Plan for FY 2026-27 for consideration by the City Council prior to May 1, 2026, and at that time intends to provide additional information on the PAC budget as it relates to the Department’s existing budgeted resources.

3. Renter Protection & Homelessness Prevention (RPHP) Proposed Usage

LACAHSAs estimates that in FY 2025-26, the City of Los Angeles will receive a total amount of \$41,538,285 in Eligible Jurisdiction funding for RPHP programs, inclusive of the 5% RPHP Program match. In summary, Table 4 shows the recommended uses of the City’s RPHP Program Allocation for FY 2025-26.

Table 4: City of Los Angeles Proposed FY 2025-2026 RPHP Program Allocations:

Proposed Program-level Allocations		Proposed Allocation Amount	Percentage
RPHP Financial Assistance	Emergency Rental and Flexible Assistance	\$10,770,671	25.9%
	Short-Term Income Support (TLS)	\$25,575,328	61.6%
RPHP Legal Services	Eviction Defense and Prevention	\$0	0%
RPHP Program Administration Costs (PACs)		\$5,192,286	12.5%
TOTAL		\$41,538,285	100%

Requirements of Senate Bill 679 and LACAHSA's Transitional Program Guidelines: Permissible Uses and Minimum Allocations

SB 679, which requires that a minimum of 30% of LACAHSA's annual revenue be allocated to RPHP activities, permits RPHP funding to be used on programs that stabilize housing for low-income renters and prevent displacement from their homes. SB 679 and LACAHSA's Transitional Program Guidelines prohibit funding from being used for homelessness services, such as interim housing or supportive services for people experiencing homelessness. As provided by SB 679 and LACAHSA's Transitional Program Guidelines, eligible uses of RPHP funds include: 1) Marketing, Assessment, Eligibility, and Referral; 2) Legal Services and Renter Education; 3) Emergency Rental and Flexible Financial Assistance; 4) Temporary Rental Assistance; and 5) Short-Term Income Support.

According to LACAHSA's FY 2025-26 Transitional Program Guidelines, all forms of RPHP financial assistance (including Emergency Rental and Flexible Financial Assistance, Temporary Rental Assistance, and Short-Term Income Support) are intended to be temporary, short-term, and delivered to individuals and families who are currently housed in order to prevent the loss of housing or to resolve a housing crisis in a timely manner. RPHP funds are not intended to provide support or services to people experiencing homelessness, nor to provide permanent housing assistance (longer than six months). The funding may be used to financially support people experiencing homelessness only after they have moved into permanent housing and have become renters.

The Transitional Program Guidelines require that a minimum of 20% of each Eligible Jurisdiction's RPHP funding be allocated to legal services activities (including eviction defense and other legal services), and that a minimum of 40% of each Eligible Jurisdiction's RPHP funding be allocated to Emergency Rental and Flexible Financial Assistance (ERFFA) for low-income renters. These minimum spending requirements are intended to ensure that all Eligible Jurisdictions contribute to homelessness prevention by funding programs that stabilize housing for low-income renters. For the City of Los Angeles, these minimum floor amounts are \$8,307,657 for legal services activities, and \$16,615,314 for Emergency Rental and Flexible Financial Assistance (ERFFA).

These minimums can be waived at LACAHSA's discretion, but only when the eligible jurisdiction can demonstrate that it has separately allocated non-LACAHSA funding in the same fiscal year at an amount that exceeds the minimum requirement. Therefore, to waive the 20% legal services activities minimum for FY 2025-26, the City must demonstrate that it has separately allocated funding equivalent to at least \$8,307,657 to pay for legal services for low-income renters. To waive the 40% financial support minimum for FY 2025-26, the City must demonstrate that it has separately allocated \$16,615,314 on ERFFA-like programs for low-income renters. For this fiscal year, the City has already allocated over \$8,307,657 in ULA funding to qualifying legal services, and a total of \$3,767,728 to qualifying emergency rental assistance services. As a result, this fiscal year the City is eligible for a full waiver from the 20% legal services minimum, but only eligible for a partial waiver from the 40% ERFFA minimum.

Recommended RPHP Funding Allocations

Given the various LACAHSAs requirements and the City's housing needs, LAHD recommends the following uses of the City's RPHP allocation for FY 2025-26.

Emergency Rental and Flexible Financial Assistance – \$10,770,671

The LACASHA RPHP Transitional Program Guidelines allow two types of limited rental assistance: 1) Emergency Rental and Flexible Financial Assistance (ERFFA); and 2) Temporary Rental Assistance. ERFFA provides up to six (6) months of financial support, including rental arrears and prospective rent. However, for prospective rent, the payments must be authorized and paid on a monthly basis. The ERFFA funding can be used for a wide range of housing-related expenses including case management services (except housing navigation), moving expenses, utilities, security deposits, furniture, transportation, and food expenses.

As discussed above, LACAHSAs's Board-approved Transitional Program Guidelines require a minimum of 40% of RPHP funding be spent on ERFFA (inclusive of financial assistance to households and staff costs to provide financial assistance). Spending on "Temporary Rental Assistance" and "Short-Term Income Support" as defined in the Transitional Program Guidelines do not count towards the ERFFA floor. Given that the City's estimated RPHP allocation is \$41,538,285, and \$5,192,286 of that amount is set aside for administration costs, the minimum amount required to be spent on ERFFA is \$14,538,400. The City's existing short-term rental assistance program, including the ULA-funded Short-Term Emergency Assistance Program, should count towards meeting the \$14,538,400 ERFFA minimum allocation requirement. The City's FY 2025-26 ULA Expenditure Plan already allocated \$3,767,728 to the ULA Short-Term Emergency Assistance Program for rental assistance as part of the City's Eviction Defense and Prevention Program. Counting this \$3,767,728 ULA allocation towards the 40% minimum means the City must allocate an additional \$10,770,671 of LACAHSAs funding this fiscal year to meet the ERFFA minimum.

LAHD proposes that the City meet the remaining minimum ERFFA requirement by allocating \$10,770,671 to ERFFA funding. For this first year of LACAHSAs funding, there are two available options for using this allocation.

The first option would be to program some or all of the funds into emergency rental assistance through LAHD's Eviction Defense and Prevention Program, which offers rent debt settlement as an incentive for resolving eviction cases. This would supplement existing ULA funding to meet additional need for emergency rental assistance to prevent evictions. LAHD is currently undergoing a procurement process to select a service provider to continue this service. Upon identification and recommendation of a contractor, LAHD will report to the City Council with a request to enter into a contract. The Council would then have the opportunity to consider adding LACAHSAs funding to that contract.

The second option would be to program some or all of the funds to support new Time Limited Subsidy (TLS) slots that could be created by stacking the RPHP ERFFA allocation and the RPHP Short-Term Income Support (STIS) allocation. The ERFFA allocation would contribute six (6) months of benefits, and the STIS program would contribute up to 18 months of benefits. This option is discussed in more detail, below, in the section entitled "Options for Leveraging RPHP Financial Assistance Toward a City Time Limited Subsidy Program."

Short-Term Income Support – Up to \$25,575,328

The LACAHSA Short-Term Income Support (STIS) Program allows direct payments to low-income renter households of up to \$2,000/month for a maximum duration of 18 months. Furthermore, this program can be combined with the aforementioned ERFFA or Temporary Rental Assistance Programs to extend a household's financial assistance. However, the Short-Term Income Support benefits can only run consecutive to – not concurrently with – the ERFFA and Temporary Rental Assistance programs and the total duration of combined benefits cannot exceed \$36,000 or 24 months.

LAHD proposes to allocate up to \$25,575,328 to LACAHSA STIS, being the balance of RPHP funds available after meeting the minimum required ERFFA allocation. The City continues to explore the highest and best possible use of these funds. As discussed above, the City could use the STIS funds to support existing Time Limited Subsidy (TLS) enrollees or new enrollees. At this time, TLS funding for existing beneficiaries has only been identified for the first year, creating a potential gap in the second year. Providing the second year of critical financial assistance to these TLS beneficiaries is an eligible use of the STIS dollars. To create new TLS slots, the City could use the STIS in combination with ERFFA funding and non-LACAHSA funding. Both options are discussed more fully, below.

If the City did not want to use the STIS funds for a time-limited subsidy program, it could use the STIS funds to supplement LAHD's existing ULA Income Support Program (ISP), allowing the City to serve more households at risk of homelessness that have seniors or people with disabilities.

Options for Leveraging RPHP Financial Assistance Toward a City Time Limited Subsidy Program

A Time Limited Subsidy (TLS) is a crucial homelessness prevention tool designed to stabilize individuals and families. Any LACAHSA-funded TLS program must comply with all requirements set forth in LACAHSA's chartering legislation and Transitional Program Guidelines: Eligibility will be limited to renter households at or below 80% AMI, with priority for households at lower AMI thresholds. The LACAHSA Transitional Program Guidelines also provide definitions for renter households, stipulating that homeowners and people experiencing homelessness are not eligible for RPHP funds. Any cumulative financial assistance received by a household would not exceed \$36,000 over any twenty-four (24) month period, and assistance via Short Term Income Support (STIS) would be limited to \$2,000 per month maximum.

Because LACAHSA RPHP Transitional Program Guidelines allow up to six (6) months of short-term ERFFA assistance to be stacked consecutively with up to 18 months of STIS assistance, combining the two programs could provide up to 24 months of financial assistance as partial funding for a time-limited program. Households receiving the assistance could use the funds for any financial needs. The City could also use some of the funding to pay for case management services (except for housing navigation) to further support program participants. In evaluating past and current TLS program performance, the City has identified the need for more supportive services to help participants increase their incomes, and thus increase their ability to contribute towards their rent.

LAHD has consulted with the CAO to evaluate potential TLS program options. However, given funding limitations and potential programmatic challenges, additional analysis is necessary before recommending the specific TLS program allocation. Given that, there are two main options to consider.

First, the City could combine LACAHSA funding with other funding sources to create up to 1,009 new TLS slots. Since ERFFA funds can only be used to support households who are already housed in a permanent setting, funding from an eligible non-LACAHSA funding source would need to be identified to pay for the first month of rent to establish them as renters that would be eligible for the LACAHSA-funded TLS program. After the first month, LACAHSA RPHP dollars would become available to support TLS households. RPHP funding could pay for the full program costs for months two (2) through twelve (12), and partial program costs for months thirteen (13) through twenty-four (24).

For the first year, the City would combine six (6) months of ERFFA and seventeen (17) months of STIS payments, creating up to 1,009 new TLS slots using the maximum \$36,000 per slot benefit allowable within LACAHSA Transitional Program Guidelines. The City would also commit \$2,018,000 in non-LACAHSA funding to support the first month of assistance. Under this pathway, the first year of TLS assistance would be comprised of the following:

Table 5: Potential Funding Mix for Year 1 of New LACAHSA-Funded TLS Program:

	Number of Months	Spend Rate Per Month	Number of Slots	Total Spend
Non-LACAHSA Funding	1	\$2,000	1,009	\$2,018,000
ERFFA	6	\$2,000	1,009	\$12,108,000
STIS	5	\$2,000	1,009	\$10,090,000

The CAO estimates that current TLS program costs for each participant are \$48,000 for twenty-four (24) months. In the second year of a LACAHSA-funded TLS program, the STIS funding would be eligible to cover about half of the overall cost. Because LACAHSA limits funding to \$36,000 per 24 months per program participant, adding in the \$2,000 non-LACAHSA funding allocation for the first month, the City would still need to identify an additional \$10,000 per participant over the course of the second year, or \$10,090,000 for 1,009 beneficiaries. An alternative to finding additional funding is to better target TLS benefits to people who have the potential for increasing their incomes over the course of the TLS program. If participants can increase their incomes, they may be able to contribute to rent during their second program year, thereby lowering the monthly subsidy amount. For lower acuity people, such as some recently emancipated youth who have the potential to increase their incomes, or homeless families that have a history of earning income, the first year of the program would provide stability and supportive services that could increase their income, thereby decreasing their subsidy need in the second year, thus reducing the TLS program funding gap. Indeed, serving lower acuity people has been found to be a TLS program best practice.

The second option for using LACAHSA funding for a TLS program would be to support existing TLS participants rather than create new slots. The City has already programmed \$16,335,648 in current fiscal year funds for the first twelve (12) months of TLS benefits for 672 households. The City has not yet identified funding for the

second year of the program. Allocating LACAHSA funding to the second year for these program participants would ensure stability for an additional twelve (12) months. Because the LACAHSA Transitional Program Guidelines specifically disallow the use of ERFFA funding for continuing TLS subsidies, only STIS funding could be used for this purpose at a capped rate of \$2,000 per month. The necessary STIS allocation would be \$16,128,000 for one year of TLS funding.

Because of the need for further analysis of the TLS program needs, LAHD is not able to determine the optimal funding allocation among these two potential pathways. As a result, LAHD recommends that the City Council direct the CAO to report back on the greatest need and opportunity for use of LACAHSA RPHP funds to support a TLS program.

RPHP Programs for which LAHD Does Not Recommend Funding Allocations for FY 2025-26

Given the recommendations above, which would fully allocate the available RPHP funding, for this fiscal year LAHD does not recommend allocating a portion of the City's RPHP funds to any of the following uses. However, LAHD anticipates that next fiscal year and in subsequent years, LACAHSA funding will be needed to support some or all of the following programs.

Temporary Rental Assistance – \$0

In addition to ERFFA, RPHP financial assistance can also be used for Temporary Rental Assistance, which also provides up to six (6) months of support, but its use is limited to rent, utilities, and case management services (except housing navigation). Temporary Rental Assistance can be used for low-income households that recently exited homelessness. This funding cannot be used to pay for the wider set of housing-related expenses that the ERFFA program allows. Considering that funding for Temporary Rental Assistance does not count towards the 40% minimum allocation for ERFFA, and because households cannot qualify for both this program and the ERFFA Program, LAHD recommends funding all tenant rental assistance through the broader ERFFA program rather than Temporary Rental Assistance.

Eviction Defense – \$0

In 2025, the City Council passed and the Mayor signed Ordinance #188,681, which created, to the extent funding is available, the right to legal counsel for low-income renters facing eviction from their homes. Over time, as funding allows, the City's Eviction Defense and Prevention Program will expand into all ZIP codes in the City. Currently, ULA is funding the bulk of the City's Eviction Defense and Prevention Program. While ULA funding supports the current levels of service provided by the program, in future years, as the program expands into a citywide right-to-counsel program, additional funding sources such as LACAHSA will be necessary.

In FY 2025-26, through the ULA Expenditure Plan (CF 23-0038-S7), the City allocated a total of \$39,085,942 to eviction defense legal services. For this fiscal year, that spending already far exceeds the LACAHSA-required 20% minimum allocation amount of \$7,912,054.20. Thus, this fiscal year, the City would qualify for a waiver of this minimum allocation of LACAHSA RPHP funding to legal services.

The City's existing contract for the Eviction Defense Program is set to expire this fiscal year, and LAHD is currently undertaking a Request for Proposal process to procure a service provider to continue the program. As a result, the expansion of the program as part of the City Council and Mayor-approved Right to Counsel program that was expected for this fiscal year has not occurred and will be delayed at least one year. Moreover, LACAHSA RPHP funds have a twelve (12) month deadline by which Eligible Jurisdictions must obligate the funding from LACAHSA, and a twelve (12) month expenditure deadline by which Eligible Jurisdictions must expend the obligated funds. Contracting delays in the Eviction Defense Program will make it challenging for the City to fully expend funding allocated to this program within the expenditure deadline.

Therefore, for this fiscal year, LAHD recommends seeking a waiver of the 20% spending minimum for legal services activities from LACAHSA. If it is granted, LAHD recommends not allocating any RPHP funding for legal services. However, beginning in FY 2026-27, LAHD expects that LACAHSA Eligible Jurisdiction funds will be needed for other purposes as costs increase with the expansion of the Eviction Defense and Prevention Program into new ZIP codes. And with the further expansion into even more ZIP codes in FY 2027-28, it is very likely that LACAHSA funding will be needed to fund the program.

Tenant Anti-Harassment Program – \$0

LAHD launched Tenant Anti-Harassment Ordinance (TAHO) enforcement using \$11,219,694 in FY 24-25 ULA funds, and then further augmented this with \$9,280,943 in FY 25-26 ULA funding. This is the only ULA program where program funds are primarily used to fund staff positions that provide administration and enforcement of the TAHO program.

With Council having approved twelve (12) additional ULA-funded positions (CF 23-0038) to monitor and enforce TAHO, LAHD does not request any FY 2025-26 LACAHSA funding for this program.

Tenant Outreach and Education – \$0

In FY 2025-26, ULA provides \$7,817,188 for this program. As such, LAHD does not request any FY 2025-26 LACAHSA funding for this program.

RPHP Program Administration Costs (PACs) - \$5,192,286

The LACAHSA Transitional Program Guidelines allow for up to 12.5% of RPHP Program funds to be allocated for Program Administration Costs (PACs) related to the administration of PPO Programs. For FY 2025-26, this represents a maximum budget of \$5,192,286.

PACs are costs that support overall program activity. According to LACAHSA's Transitional Program Guidelines, valid PACs include costs for staff-time and overhead costs for planning, general management, oversight, coordination, and implementation of the program as a whole. These are costs that cannot be directly attributed to a single project or activity. PACs also include coordination activities with other regional initiatives. For the RPHP Programs, PACs will primarily include costs related to work performed by existing LAHD staff who are assigned to work on LACAHSA-funded projects, including costs for staff time associated with participation in the development of the regional Integrated Services Model, and would offset costs for existing

staff. By adding LACAHSA administration funding to support existing staff, LAHD proposes to minimize new costs at this time, while ensuring that additional funding is available to support existing programs that would not otherwise be adequately resourced.

4. Technical Assistance Proposed Usage

For FY 2025-26, a total of \$6,593,378 is allocated to Technical Assistance. In summary, Table 6 shows the recommended uses of the City’s TA Program Allocation for FY 2025-26.

Table 6: City of Los Angeles Proposed FY 2025-2026 TA Program Allocations:

Proposed Program-level Allocations		Proposed Allocation Amount	Percentage
Staffing Support	Staffing costs for three months of funding for three new positions at LAHD	\$184,557	3%
Contractual Services	Affordable and Accessible Housing Registry	\$2,490,552	38%
	Affordable Housing Asset Data Integrity, Compliance, and Monitoring	\$981,760	15%
	Affordable Housing Information System (AHIS) Additional Scope and Feature Expansion	\$1,200,000	18%
	Multi-Departmental BuildLA Initiative	\$1,474,629	22%
	Other As-Needed Contractual Services	\$261,880	4%
TOTAL		\$6,593,378	100%

LACAHSA Technical Assistance (TA) funds can be used for professional consulting services, data and policy analysis, underwriting services, legal counsel, program design, and general staffing for technical studies or services that would support effective programming of the PPO and RPHP funds. Activities supported by TA funds must support affordable housing or homelessness prevention efforts that are related to LACAHSA, including activities that support the development or preservation of affordable housing. LAHD has identified a range of professional services, as well as staffing costs, that are recommended to support these activities.

Staffing Support - \$184,557 for three months of funding for three new positions at LAHD

Though LAHD aims to deploy LACAHSA Eligible Jurisdiction funds within existing programmatic frameworks, LACAHSA requirements differ from the City's other funding sources in key ways. For example, the Home Investment Partnership Act (HOME) funds that LAHD receives from the US Department of Housing and Urban Development (HUD) carry Buy American Build American sourcing requirements for materials, while ULA capital funds prohibit the resale of affordable housing projects to for-profit buyers. LACAHSA funds, on the other hand, have highly restrictive affordability requirements when used in rehabilitation projects.

As a new funding source that requires ongoing support for development of annual expenditure plans, tracking and reporting of all outcomes related to LACAHSA-funded activities, data and policy analysis, accounting and financial management, and programmatic support, LAHD has identified a need for dedicated staff support to absorb these responsibilities. Pursuant to the LACAHSA Transitional Program Guidelines, LAHD will be required to submit regular financial and programmatic reporting, including providing biannual financial reports and biannual programmatic reports, within 45 days of the close of each quarter. This will include reporting on all outcomes of LACAHSA funded activities, in order to show progress towards the performance metrics adopted by the LACAHSA Board. Additionally, LAHD requires additional staff capacity to support data and policy analysis that will inform alternative options for compliant use of LACAHSA funds in order to best optimize overall program design. This will be critical, as LACAHSA is still in its infancy, and it is anticipated that the LACAHSA Board will continue to refine the Transitional Program Guidelines following this initial program year.

In order to support this work, LAHD has identified a need for two new Housing Planning and Economic Analyst (8504) positions, with one position dedicated to policy and data analysis related to the PPO programs, and one position dedicated to policy, data analysis, and reporting related to the RPHP programs. For the PPO program analyst, examples of assigned duties would include: 1) feasibility analysis of LACAHSA-funded mixed income, ownership, and affordable housing models; 2) based on that analysis, propose potential new programs or changes to existing program design; 3) conduct data analysis of LAHD's affordable housing portfolio to inform efforts to stabilize the existing at-risk affordable housing stock; 4) support analysis of and improvements to the timeline and process for lease up of permanent supportive housing units and affordable housing units; 5) prepare PPO reports, including those required by LACAHSA. For the RPHP program analyst, examples of assigned duties include: 1) program evaluation, analysis and recommendations related to identifying improvements to the design and implementation of the RPHP-funded programs including the time-limited subsidy program, temporary rental assistance program, and legal services programs; 2) participation in regional planning efforts to develop the Integrated Services Model; 3) preparing RPHP reports, including those required by LACAHSA.

Additionally, LAHD requests one (1) new Senior Accountant II position, to support all accounting and financial management responsibilities associated with the launch and ongoing administration of this new funding program. The new LACAHSA program will introduce multiple categories of funding, each with distinct budgeting and reporting requirements. This position will be responsible for overseeing the new fund and accounts set-ups, maintaining accurate financial records, and verifying appropriate authority for accounting budgets and contracts by reviewing supporting documentation such as contracts and Council files. The Senior Accountant II will also review and approve invoices processed by accounting staff to ensure proper and accurate accounting transactions are completed. LACAHSA requires that funding allocations and expenditures adhere to strict timelines, which

will require dedicated accounting staff to monitor financial activity, process payments in a timely manner, and ensure full compliance with LACAHSA fiscal management requirements as well as the Generally Accepted Accounting Principles (GAAP) prescribed for government entities.

In total, this report recommends that the City Council and Mayor authorize LAHD to create a total of three (3) new positions, including two (2) Housing Planning and Economic Analyst (8504) positions and one (1) Senior Accountant II position. The Housing Planning and Economic Analyst positions would be located within the Strategic Engagement and Policy Division, and would support Department-wide efforts to implement LACAHSA funding. The Senior Accountant II (1523-2) position would be located in the Accounting section of the Administrative Services Bureau. Subject to approval of the positions and allocation by the Civil Service Commission, it is anticipated that these positions could be filled by the beginning of the third quarter of FY 25-2026. As a result, for three months of funding in FY 2025-26, the anticipated staffing costs are estimated as \$184,557; however, in future fiscal years, these positions will require an ongoing allocation of \$740,255 in LACAHSA TA funding.

Contractual Services

LAHD, in consultation with partner departments including City Planning and the Bureau of Engineering, has identified a range of potential activities that are recommended to be supported by LACAHSA TA funds either over the course of this fiscal year or in subsequent fiscal years, including:

1. Technical support for updating Department underwriting guidelines (including project sponsor underwriting and project underwriting guidelines), creation of application materials/master templates, providing support reviewing and scoring NOFA applications, developing staff training curriculum, and providing staff-level training.
2. Support for continued development, maintenance, and enforcement of LAHD's rent registry, which is currently intended to include all Rent Stabilization Ordinance (RSO) housing in the City but lacks full data because of landlord noncompliance and LAHD's lack of capacity to enforce.
3. **Accelerate the development and expand the scope of the Affordable and Accessible Housing Registry.**
4. Support for continued development, maintenance, and enforcement of the City's eviction filing requirements
5. Software purchasing to assist with loan portfolio management.
6. Outreach services.
7. **Enhancements to LAHD's asset management systems to improve portfolio monitoring and management.**
8. **System improvements for LAHD's Affordable Housing Information System (AHIS), which is the Department's primary system for managing affordable housing applications throughout the project lifecycle.**
9. Program evaluation studies are needed to regularly assess the performance and outcomes, especially of new programs.
10. **Support for the expansion of the multi-Departmental BuildLA Initiative.**

11. Software purchasing for the Department of City Planning to support data management related to the Housing Element Annual Progress Report, to track and report on the City's progress towards meeting its Regional Housing Needs Assessment (RHNA) Allocation, including affordable housing production.
12. Contractual services for the Department of City Planning and LAHD to support the development of the City's Seventh Cycle Housing Element (2029-2037). Planning efforts are anticipated to kick off in late FY 2026-27.

Of these uses, there are some immediate uses that are recommended for allocation within this fiscal year. The recommended uses shown in **bold** in the list above are further described below.

Affordable and Accessible Housing Registry - \$2,490,552

LAHD proposes to allocate TA funds to accelerate the completion and launch of the expanded Affordable and Accessible Housing Registry, a centralized electronic repository of units and projects within the City that offer deed-restricted rents and accessibility features. Upon completion, the Affordable and Accessible Housing Registry will be usable as a search tool and application portal for prospective residents for all affordable housing units.

The Affordable and Accessible Housing Registry is being developed through a software vendor (Exygy, Inc.) via contract (C-201583), with a contract term starting June 1, 2025 and ending May 31, 2028. This contract has a not-to-exceed amount of \$2,364,000 over its three (3) year term. To date, \$1,646,448 in funding has been identified, leaving a remaining funding gap of \$717,552 to complete the currently defined contract scope.

- Completion of Current Buildout – \$717,552

To complete the currently defined scope of the Registry's buildout, LAHD recommends allocating \$717,552 from FY 2025–26 LACAHSAs Technical Assistance funds. This allocation will close the remaining funding gap for the existing contract scope and free up General Funds and SB2 funding for other critical City needs.

- Post-Launch Scope Definition, Refinement, and Continued Services – \$1,773,000

The initial launch of the Registry is planned for March 2026, with the second phase of development scheduled to begin in April 2026. In addition to completing the initial buildout and the currently planned Phase 2 activities, LAHD recommends reserving additional LACAHSAs Technical Assistance funds to support a more robust and in-depth post-launch scope definition, refinement, and continued implementation services.

As the Registry transitions into live operations, structured feedback from internal staff, housing partners, and end users will inform system enhancements, workflow refinements, and operational adjustments that cannot be fully anticipated during initial development. This additional funding would enable Phase 2 efforts to be expanded and refined based on real-world usage and operational needs.

This funding will support continued technical services required to stabilize and sustain the Registry as a Citywide system of record, including post-launch support, performance optimization, accessibility

compliance, security updates, and incremental improvements to ensure the platform remains reliable, equitable, and responsive to evolving program and policy requirements.

Accordingly, LAHD recommends allocating \$1,773,000 in additional LACAHSA Technical Assistance funds in the current fiscal year, with expenditures extending into FY 2026–27, to support this expanded post-launch and enhanced Phase 2 scope. All additional scope elements, deliverables, and expenditures would be clearly defined and subject to future approval through established governance and fiscal oversight processes.

Affordable Housing Asset Data Integrity, Compliance, and Monitoring - \$981,760

LAHD requires specialized contract staffing to support the ongoing monitoring and management of the City's affordable and accessible housing data portfolio. As the City oversees a growing inventory of affordable housing developments and units, it is critical to maintain accurate, timely, and compliant data to support project delivery, long-term affordability requirements, and effective asset management.

This effort focuses on strengthening the City's data inventory and reporting infrastructure to monitor housing development progress, track regulatory and contractual compliance, and identify risks or delays that may impact project timelines. Reliable and well-governed data is essential to expediting housing production, ensuring proper stewardship of public funds, and enabling proactive intervention when projects encounter challenges.

This funding will support a specialized technical team of contract staff dedicated to maintaining the health of the City's affordable and accessible housing data portfolio, ensuring data consistency across systems, improving reporting capabilities, and supporting operational and policy decision-making related to housing development and management.

- **Property Owner & Manager Compliance Data Management:**

This initiative involves the cleaning, validation, and ongoing management of owner- and manager-reported compliance data to ensure regulatory and contractual requirements are met across the affordable housing portfolio. In addition to data management, this work supports the development and monitoring of property management plans, standardized compliance reporting, and targeted training for property owners and managers. Strengthening these processes will improve communication and coordination between LAHD administrative staff and property owners and managers, enhance compliance oversight, support audit readiness, and enable timely issue resolution and enforcement when necessary.

- **Affordable and Accessible Housing Unit and Asset Management:**

This initiative focuses on the technical architecture and data management of affordable housing units and assets, ensuring that property-, unit-, and project-level data—including affordability terms, accessibility attributes, and compliance milestones—are accurately maintained, integrated across systems, and readily available for reporting and analysis. Strengthening this data foundation will improve overall data integrity and better support effective project delivery and property management.

By allocating \$981,760 in LACAHSA Technical Assistance funds, LAHD can bridge the gap between initial software development and the high-fidelity data integrity required for a live Citywide system of record. This

investment will prevent data-related service disruptions and ensure that the Registry remains a reliable tool for both low-income renters and housing administrators.

Affordable Housing Information System (AHIS) Additional Scope and Feature Expansion- \$1,200,000

LAHD proposes to allocate Technical Assistance funds to secure specialized contract staffing to enhance and expand the Affordable Housing Information System (AHIS), which is being developed to replace the Department's legacy Housing Information Management System (HIMS). AHIS will serve as LAHD's primary internal system for managing affordable housing applications, funding, and projects across their full lifecycle and for supporting the increased scale and complexity of programs associated with new funding sources such as LACAHSA.

The proposed funding will support the following functional areas:

- End-to-End Project Lifecycle Management:

This function supports managing affordable housing projects from application approval through long-term compliance. It includes tracking predevelopment, construction and permanent financing, funding commitments and disbursements, portfolio status, occupancy, and regulatory compliance across multiple programs.

- UNOFA Application Intake and Project Conversion:

This function enables AHIS to receive approved applications from the Universal Notice of Funding Availability (UNOFA) system, convert them into active projects, and maintain consistent project records throughout their lifecycle, reducing manual data entry and reconciliation.

- Integrated Lender Portal for Homeownership Programs:

This function provides a secure, centralized portal for participating lenders to submit applications, upload required documentation, communicate with LAHD staff, and track funding status for homeownership-related programs, improving efficiency and transparency for both internal staff and external partners.

- Land Use Program Tracking and Coordination:

This function supports tracking and managing land use-related activities associated with affordable housing projects, including program-specific requirements, approvals, and coordination needs. Integrating Land Use functions into AHIS improves visibility, alignment, and data consistency across housing, funding, and land use activities.

- GIS, Mapping, and Spatial Analysis Capabilities:

This function enables location-based tracking and analysis of affordable housing activities, including interactive mapping, parcel-level and project-level geographic data integration, and geoprocessing workflows needed for land use analysis, program eligibility determinations, reporting, and public transparency.

- Document Intake, Review, and Secure Information Management:

This function improves document submission, tracking, and review processes by supporting automated organization and extraction of key information, reducing manual review and data entry, and enabling secure PDF redaction to protect sensitive information.

Multi-Departmental BuildLA Initiative - \$1,474,629

For FY 2025-26, LAHD also recommends allocating up to \$1,474,629 in TA funds to expand and accelerate the Multi-Departmental BuildLA initiative, in order to support data integration efforts that would support streamlined development services for affordable housing production.

Development services in Los Angeles are performed by various departments and customers and staff must navigate those processes independently. The BuildLA Project seeks to provide the City's development services customers a more transparent, predictable, and efficient experience by displaying information from all development services departments in one place, while providing the City's staff more simplified electronic interactions, automated handoffs, and efficient business operations. The BuildLA Project is an existing multi-departmental effort to establish centralized data, a centralized portal, and an electronic planning and permitting solution that improves delivery of development services through an automated, centralized, and simplified workflow. The BuildLA Project comprises the replacement, development, and enhancement of several City applications across development service departments.

On April 23, 2021, the Board of Public Works awarded a Task Order to Psomas (Consultant), to provide staff augmentation for project management and programming services for the BuildLA Project, with the Bureau of Engineering acting as the contract manager of the consultant services Task Order. The Multi-Departmental components of the BuildLA Project thus far have been funded by the Development Services Trust Fund, derived from a surcharge on permits for the design, construction, and equipping of the City's Development Services Centers and their functional support services (CF 15-0316).

In order to deliver on several new modules and tools, the Bureau of Engineering has requested \$1,474,629 in LACAHSAs TA funding for FY 2025-26. The first module would integrate a Geographic Information Systems (GIS) unification platform across the key City departments that fund, regulate, approve, and/or inspect housing developments. The module would centralize multiple web-mapping resources and reporting tools into one platform, helping policymakers better track and pinpoint bottlenecks in the housing production pipeline. A second, and related module within the BuildLA expansion is the creation of a geotagging Application Programming Interface (API) tool. Critically, this tool would ensure that future projects at LAHD, BOE, Department of City Planning (DCP), and Department of Building and Safety (DBS) are all standardized as a data type that facilitates GIS analysis. The geotagging API would also be important for converting legacy project data into standardized geospatial data for integration into the unified platform. Finally, a third scope expansion of the BuildLA initiative involves the creation of "virtual counters" so that members of the public who require development services can dial into virtual meetings with staff via phone. This is intended to bridge the digital

divide for members of the public who would benefit from live services from staff, but who may find it challenging to access services through web platforms.

As-Needed Contractual Services - \$261,880

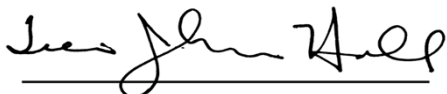
After allocation of these resources, a total of \$261,880 in TA funds will be remaining for FY 2025-26. LAHD recommends reserving these funds for as-needed contractual services, to support activities similar to those identified above, that would provide support for affordable housing or homelessness prevention activities.

FISCAL IMPACT

There is no impact on the General Fund at this time. This report discusses only one possible action which has the potential to affect FY 2025-26 General Fund dollars: reprogramming of previously appropriated funds from Citywide Homeless Interventions to instead support the proposed LACAHSA TLS program. The other actions recommended in this report will be funded by revenue collected from sales tax allocated to the City of Los Angeles through LACAHSA Eligible Jurisdiction funds.

In future fiscal years, the programming of LACAHSA TA funds into the Affordable and Accessible Housing Registry buildout will reduce the need for General Funds to support this initiative. Finally, one of the LACAHSA TLS program options discussed in this report would require support from an as-yet undetermined funding source in its second year, for an estimated \$10,090,000. The City's financial obligations to these programs will be limited to the funds appropriated for these purposes.

Approved By:



TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

ATTACHMENTS:

- Attachment 1 - City of LA - Board-Approved MOU Form
- Attachment 2 - LACAHSA Transitional Program Guidelines
- Attachment 3 - Exygy C-201583 1st A&R draft
- Attachment 4 - IT Professional Services A&R drafts

TRANSMITTAL

TO
Los Angeles Housing Department

DATE
01/14/2026

FROM
The Mayor

REQUEST FOR REPORT FROM LOS ANGELES HOUSING DEPARTMENT WITH RECOMMENDATIONS FOR DEPLOYMENT OF LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY ELIGIBLE JURISDICTION FUNDS IN THE CITY OF LOS ANGELES AND APPROVAL OF FY 2025-26 EXPENDITURE PLAN, MEMORANDUM OF UNDERSTANDING, AND RELATED IMPLEMENTATION ACTIONS

Approved, ED3 waived, and transmitted for further processing.



MAYOR
(Mitch Kamin for)

**AFFORDABLE HOUSING PRODUCTION, PRESERVATION,
AND OWNERSHIP; TECHNICAL ASSISTANCE, RESEARCH AND POLICY; AND
RENTER PROTECTION AND HOMELESSNESS PREVENTION FUNDING
MEMORANDUM OF UNDERSTANDING**

CITY OF LOS ANGELES (2025/2026)

This Affordable Housing Production, Preservation, and Ownership; Technical Assistance, Research and Policy; and Renter Protection and Homelessness Prevention Funding Memorandum of Understanding (“**MOU**”), effective July 1, 2025 (“**Effective Date**”), is between the Los Angeles County Affordable Housing Solutions Agency, a special act agency established pursuant to Government Code section 64710 and operating pursuant to the Los Angeles County Regional Housing Finance Act, Government Code section 64700 et seq. (“**LACAHSA**”) (“**Agency**”), and City of Los Angeles, a charter city (“**Recipient**”), each individually a “**Party**” and collectively the “**Parties**.”

RECITALS

This MOU is made with reference to the following facts:

- A. In September 2022, Governor Newsom signed Senate Bill 679, known as the Los Angeles County Regional Housing Finance Act (“**Act**”). The Act created Agency to increase the supply of affordable housing by providing enhanced funding and technical assistance for renter protections, affordable housing preservation, and new affordable housing production.
- B. In November 2024, Los Angeles County voters approved “**Measure A**,” known as the Affordable Housing, Homelessness Solutions, and Prevention Now Transactions and Use Tax Ordinance. Measure A established a one-half percent sales tax on every dollar of goods sold in Los Angeles County to provide dedicated funding for various purposes, including reducing and preventing homelessness and increasing the supply of affordable housing.
- C. Measure A directs the Los Angeles County Auditor-Controller (“**County Auditor-Controller**”) to disburse 35.75% of the proceeds generated to Agency for use in accordance with the Act’s and Measure A’s requirements through fiscal year 2029-2030 (and thereafter, such percentage may be modified by the Los Angeles County Board of Supervisors every five years, except that such percentage may not be less than 33.33%). These include, among other things, that: Agency use 60% of its Measure A funds for affordable housing production, preservation, and ownership (“**PPO**”) (Gov. Code, § 64830(d)(1); Measure A, § 29(B)); that Agency use 5% of its Measure A funds for technical assistance, research, and policy development (“**Technical Assistance**”) (Gov. Code, § 64830(d)(4)); and that Agency use 30% of its Measure A funds for Renter Protection and Homelessness Prevention (“**RPHP**”) (Gov. Code, § 64830(d)(2)).
- D. The Act requires Agency’s Board to adopt an Annual Expenditure and Strategy Plan, which must set forth the share of revenue and estimated funding to be spent on each of

the above-stated categories (“**Annual Expenditure and Strategy Plan**”). Agency’s Board adopted the first Annual Expenditure and Strategy Plan on June 25, 2025 (and it is anticipated that the Board will adopt subsequent Annual Expenditure and Strategy Plans on an annual basis). The Annual Expenditure and Strategy Plan establishes the proportional amount of revenues and estimated funding that Agency will distribute to Recipient and each of the other “**Eligible Jurisdictions**” (as defined herein) for each funding category. Exhibit A, attached hereto and incorporated herein by reference, contains the allocations as approved by Agency’s Board in the Annual Expenditure and Strategy Plan.

- E. Of the funds allocated for PPO, Agency must disburse 70% of such funds to Eligible Jurisdictions in accordance with each jurisdiction’s pro rata share of the Regional Housing Needs Assessment (“**RHNA**”) total lower income housing needs assessment goal for Los Angeles County allocated pursuant to Government Code section 65584 (“**Pro Rata RHNA Share**”). (Gov. Code, § 64830.5(a)(1)(A)-(F), (a)(2)(A)(i).) F. Each Eligible Jurisdiction and its Pro Rata RHNA Share is provided in Exhibit A. Recipient’s Pro Rata RHNA Share for 2025-2026 is 22.80%.
- G. Of the funds allocated for Technical Assistance, Agency must disburse 70% of such funds to Eligible Jurisdictions on a per low-income renter basis. (Gov. Code, § 64830.5(a)(1)(A)-(F), (a)(2)(C)(i)) (“**Technical Assistance Allocation**”).
- H. Each Eligible Jurisdiction and its Technical Assistance Allocation is provided in Exhibit A. Recipient’s Technical Assistance Allocation is 1.72%.
- I. Of the funds allocated for RPHP, Agency must disburse 70% of such funds to Eligible Jurisdictions. Agency has elected to make such disbursement based on a per low-income renter basis. (Gov. Code, § 64830.5(a)(1)(A)-(F), (a)(2)(B)(i)) (“**RPHP Allocation**”). Each Eligible Jurisdiction and its RPHP Allocation is provided in Exhibit A. Recipient’s RPHP Allocation is 10.34%.
- J. The Agency must allocate the remaining 30% of funds under each category to the Eligible Jurisdictions consistent with the guiding principles of the Agency and the eligible uses outlined in Government Code Section 64830, which may include but is not limited to direct allocations to the Eligible Jurisdictions.
- K. The Act and Measure A provide that Eligible Jurisdictions may receive their respective Pro Rata RHNA Share of PPO funds, Technical Assistance Allocation, and RPHP Allocation directly from Agency, provided that direct allocations are subject to the conditions and restrictions set forth in the Act and Measure A for the receipt and use of the funds.
- L. The Parties have entered into this MOU to comply with the Act and Measure A and memorialize the terms and conditions governing the disbursement and use of Recipient’s Pro Rata RHNA Share of PPO funds, Technical Assistance Allocation, and RPHP Allocation.

TERMS AND CONDITIONS

The Parties agree as follows:

1. **Incorporation.** The Parties agree that the Recitals above constitute the factual basis upon which Agency and Recipient have entered into this MOU. Agency and Recipient each acknowledge the accuracy of the Recitals and hereby agree to the incorporation of the Recitals into this MOU as though fully set forth herein.
2. **Term; Extension.** The term of this MOU is one year starting on the Effective Date. The term will automatically renew for successive one-year terms unless either Party provides the other Party with a written notice of non-renewal at least 30 days before the end of the then-current term. Unless this MOU is amended by the Parties in accordance with Section 17.2 of this MOU, any renewal terms shall be on the same terms and conditions provided herein, except that the allocations provided in Exhibit A shall be automatically updated to reflect the allocations set forth in the Annual Expenditure and Strategy Plan adopted by the Board for that fiscal year (e.g., if this MOU is renewed for FY 2026-2027, the allocations provided in Exhibit A shall be those provided in the Board's Annual Expenditure and Strategy Plan for FY 2026-2027). LACAHSAs will make its best efforts to notify Recipient in advance of LACAHSAs Board agenda items to consider updates to the allocations. For clarification, allocations will be in accordance with the Act and will be updated to reflect changes to Pro Rata RHNA Share as a result of a new housing element cycle or to reflect updated information for the RPHP Allocation or Technical Assistance Allocation. This MOU will terminate upon the earlier of: (i) the fifth anniversary of the Effective Date; or (ii) the expiration of the then-current term following a Party's timely notice of non-renewal.
 - 2.1. In the event that, during the term of this MOU, the Pro Rata RHNA Share changes as a result of a subsequent RHNA cycle, an addendum will be provided to each Eligible Jurisdiction's MOU, including this MOU, to incorporate the change.
3. **Recipient Acknowledgment.**
 - 3.1. **Eligible Jurisdiction; Pro Rata RHNA Share.** Recipient acknowledges and agrees that it is an Eligible Jurisdiction whose Pro Rata RHNA Share is 22.8%.
 - 3.2. **Recipient's Share of PPO Funds.** In accordance with Section 3.1 above, Recipient acknowledges and agrees that it will receive 22.8% of the PPO funds available to be disbursed by Agency to the Eligible Jurisdictions for 2025-2026.
 - 3.3. **Eligible Jurisdiction; Technical Assistance Allocation.** Recipient acknowledges and agrees that it is an Eligible Jurisdiction whose Technical Assistance Allocation is 1.72%.
 - 3.4. **Recipient's Share of Technical Assistance Funds.** In accordance with Section 3.3 above, Recipient acknowledges and agrees that it will receive 1.72% of the Technical Assistance funds available to be disbursed by Agency to the Eligible Jurisdictions for

2025-2026.

3.5. **Eligible Jurisdiction; RPHP Allocation.** Recipient acknowledges and agrees that it is an Eligible Jurisdiction whose RPHP Allocation is 10.34%.

3.6. **Recipient's Share of RPHP Funds.** In accordance with Section 3.5 above, Recipient acknowledges and agrees that it will receive 10.34% of the RPHP funds available to be disbursed by Agency to the Eligible Jurisdictions for 2025-2026.

3.7. **Recipient Reallocation to Agency.** If Recipient so chooses, it may elect to re-allocate all or a portion of its funding allocation to Agency, so that Agency may partner with a third party on the operation of a program, or solely operate a program on Recipient's behalf, within Recipient's jurisdiction.

3.8 The Agency will update the proportional allocations from time-to-time only in accordance with the Act, and the allocations will be fully subject to the terms of the Act. For example, the allocations will be updated to reflect new RHNA numbers.

4. **Disbursement Schedule.** Agency will disburse funds to Recipient, after the County Auditor-Controller disburses Measure A proceeds to Agency, in accordance with the PPO, RPHP, and Technical Assistance Program Guidelines ("**Program Guidelines**") adopted by the governing Board of the Agency.

5. **Direct Allocation of PPO Funds.** Prior to disbursing a direct allocation of PPO Funds to Recipient, the following conditions of Government Code section 64830.5(a)(2)(A)(iv)(I) shall be met:

5.1 Recipient agrees to adopt and adhere to the Program Guidelines, including public engagement and notice provisions.

5.2 All funded projects are in compliance with Agency's eligible uses and affordability requirements.

5.3 Recipient agrees to allocate its funding within 12 months through administrative processes without being subject to additional legislative process.

5.4 Recipient is in compliance with Affirmatively Furthering Fair Housing in California requirements. If Recipient is a regional agency, it shall expend the funds only in jurisdictions that are in compliance with Affirmatively Furthering Fair Housing in California requirements

By executing this MOU, Recipient hereby agrees to adopt and adhere to Agency's Program Guidelines (including public engagement and notice provisions) and any other policies and guidelines adopted by Agency related to the disbursement of funds to, or use of funds by, Eligible Jurisdictions effective at the time of disbursement to Recipient. Execution of this MOU shall therefore

satisfy the condition at subsection 5.1. Agency's Program Guidelines will establish provisions for Recipient to meet the remaining three conditions, which Recipient shall meet prior to its receipt of a direct allocation of all or a portion of its PPO allocation.

6. **Use of PPO Funds.** For any fiscal year in which Recipient receives PPO funds from Agency, Recipient will comply with all of the following:
 - 6.1 **New Affordable Housing.** Pursuant to Measure A, Section 29 B, Recipient will use at least 77.25% of PPO funds on constructing new affordable housing.
 - 6.2 **Government Code Section 64830(d)(1).** Subject to Section 6.1 above, Recipient's use of PPO funds will comply with the requirements of Government Code section 65830(d)(1), attached hereto as Exhibit B-1 and incorporated herein by reference.
 - 6.3 **Prohibited Uses.** Except as expressly authorized by Government Code section 64710, Recipient will not use PPO funds to perform or undertake any functions related to supports and services provided to people experiencing homelessness. Recipients may use PPO funds to finance permanent housing serving people at-risk of or experiencing homelessness.
 - 6.4 **Supplemental Capacity for Existing Efforts.** Recipient's use of PPO funds shall be consistent with Government Code sections 64710(a)(1) and (d). The Parties acknowledge that this MOU is intended to apply to Measure A revenues that the Agency passes through to Recipient and that this MOU does not transfer any existing functions from the Recipient to the Agency, and the Agency is not undertaking any existing functions of Recipient. In accordance with Section 64710(d), the funding may be used to complement and supplement Recipient's existing programs.
 - 6.5 **Timing.** Upon receipt of a disbursement of PPO funds from Agency, Recipient will obligate its funding within 12 months through administrative processes without being subject to additional legislative process and will ensure that funds allocated to projects are expended within five years, or as otherwise provided in Government Code section 64830.5(a)(2)(A), attached hereto as Exhibit B-2 and incorporated herein by reference, and Program Guidelines adopted by the Board effective at the time of disbursement to Recipient, provided that the applicable provision of the Program Guidelines was not changed after disbursement as a result of a change in the law or of being determined to be unlawful.
 - 6.6 **Period of Affordability.** Recipients shall record a restrictive covenant specifying an appropriate period of affordability in accordance with the Program Guidelines adopted by the Agency's Board and effective at the time of recordation of the restrictive covenant.
7. **Use of Technical Assistance Funds.** For any fiscal year in which Recipient receives Technical Assistance funds from Agency, Recipient will comply with all of the following:

- 7.1. **Government Code Section 64830(d)(4).** Recipient's use of Technical Assistance funds will comply with the requirements of Government Code section 65830(d)(4), attached hereto as Exhibit B-3 and incorporated herein by reference.
 - 7.2. **Prohibited Uses.** Except as authorized by Government Code section 64710, Recipient will not use Technical Assistance funds to perform or undertake any functions related to supports and services provided to people experiencing homelessness.
 - 7.3. **Supplemental Capacity for Existing Efforts.** Recipient's use of Technical Assistance funds shall not supplant, but may complement and supplement existing efforts by cities, counties, districts, and other local, regional and state entities that were in existence as of January 1, 2022. Nothing in this paragraph shall be construed to prohibit use of funds for new efforts.
 - 7.4. **Timing.** Upon receipt of a disbursement of Technical Assistance funds from Agency, Recipient will obligate its funding within 12 months and will ensure that funds allocated to projects are expended within five years as provided in the Program Guidelines adopted by Agency's Board effective at the time of disbursement to Recipient.
- 8. Use of RPHP Funds.** For any fiscal year in which Recipient receives RPHP funds from Agency, Recipient will comply with all of the following:
- 8.1. **No Unrestricted Allocations.** Government Code section 64830.5(a)(2)(B)(iii) prohibits Agency from making unrestricted direct allocations to government entities. Recipient therefore agrees to be subject to the restrictions set forth in this MOU and to Agency's policies and guidelines for the receipt and use of RPHP funds at the time of the allocation.
 - 8.2. **Government Code Section 64830(d)(2).** Recipient's use of RPHP funds will comply with the requirements of Government Code section 65830(d)(2), attached hereto as Exhibit B-4 and incorporated herein by reference. If Agency so chooses, it may elect to allocate all or a portion of its funding allocation directly to Eligible Jurisdictions in the same way the Agency disburses funds under Gov. Code § 64830.5(a)(1)(A)-(F).
 - 8.3. **Prohibited Uses.** Except as expressly authorized by Government Code section 64710, Recipient will not use RPHP funds to perform or undertake any functions related to supports and services provided to people experiencing homelessness.
 - 8.4. **Supplemental Capacity for Existing Efforts.** Recipient's use of RPHP funds shall not supplant, but may complement and supplement existing efforts by cities, counties, districts, and other local, regional and state entities that were in existence as of January 1, 2022. Nothing in this paragraph shall be construed to prohibit use of funds for new efforts.
 - 8.5. **Timing.** Upon receipt of a disbursement of RPHP funds from Agency, Recipient

will obligate its funding within 12 months and will ensure that funds allocated to projects are expended within five years as provided in any Program Guidelines adopted by Agency's Board effective at the time of disbursement to Recipient. .

9. Construction Labor Requirements.

9.1 **Measure A.** Recipient will ensure that at least 80% of the housing units produced with PPO funds provided by Agency are built subject to a project labor agreement that satisfies the requirements of Section 28 of Measure A, attached as Exhibit C-1 and incorporated herein by reference.

9.2 **The Act.** Recipient will ensure that any construction or rehabilitation project receiving PPO funds provided by Agency complies with the requirements of Government Code section 64720.5, attached as Exhibit C-2 and incorporated herein by reference.

10. Recruitment and Retention of Workers. Recipient will ensure that all contracts funding social services positions, including but not limited to eviction prevention workers, comply with Section 27 of Measure A, attached as Exhibit C-3, attached hereto and incorporated herein by reference, or substantially similar wage policies adopted by Recipient.

11. Records and Monitoring.

11.1 **Progress Reports.** Recipient will submit progress reports to Agency on Recipient's use of PPO funds, Technical Assistance funds, and RPHP funds in accordance with the Program Guidelines.

11.2 **Financial Records.** Recipient shall maintain financial records, supporting documents and agreements, statistical reports, official files, and any other evidence necessary to demonstrate compliance with this MOU. The foregoing shall be maintained on file by Recipient for at least five years after the expiration or termination of this MOU and made available to Agency upon request.

11.3 **Audit Requirements.** Agency shall contract for an annual audit, to be initiated within six months after the end of the fiscal year being audited, for the purpose of determining Recipient's compliance with this MOU, the Act, and Measure A. Upon completion of the annual audit, Agency will provide Recipient with a copy thereof.

12. Compliance with Funding Requirements. Recipient and any of its sub-recipients shall comply with the programmatic and financial grant implementation policies and guidelines included in the Program Guidelines for Eligible Jurisdictions, published by the Agency, for all categories of funds.

13. Indemnification. Recipient agrees to indemnify, defend (with counsel reasonably approved by Agency) and hold harmless Agency and its board members, officials, officers, employees, agents, and volunteers, at Recipient's sole expense, from and

against any and all claims actions, losses, damages, liability, and/or legal proceedings brought against Agency, its board members, officials, officers, employees, agents, and volunteers arising out of Recipient's performance of, or lack of performance of, any of its obligations under this MOU.

14. Dispute Resolution; Breach and Remedies.

14.1 **Avoidance of Disputes.** The Parties recognize that, as public agencies that are mutually interested in the efficient and effective use of Measure A revenues to prevent homelessness and increase access to affordable housing, the Parties desire to avoid legal disputes related to this MOU or to the pass-down and expenditure of Measure A revenues. The Parties therefore commit to make their respective best efforts to work collaboratively and cohesively to address questions of eligible uses or other compliance-related issues prior to the issue rising to the level of a dispute.

14.2 **Dispute Resolution.** Except as otherwise provided below, before proceeding in accordance with Sections 14.3 and 14.4, the Parties will attempt to informally resolve any disputes that arise from the application or interpretation of this MOU. The aggrieved Party shall notify the other Party of its intent to invoke this dispute resolution procedure within 10 business days after such dispute arises. If the Parties fail to resolve the dispute within 10 business days after delivery of such notice, each Party shall, within five business days thereafter, nominate a senior officer of its management to meet at a mutually agreed location to resolve the dispute. If the dispute remains unresolved within 10 business days after such a meeting, each Party, without further delay, shall have the right to proceed in accordance with Sections 14.3 and 14.4. Notwithstanding the foregoing, this Section 14.2 does not apply to a dispute involving Recipient's misuse or misappropriation of funds in violation of the Act, Measure A, or other applicable laws.

14.3 **Recipient's Breach.** Recipient shall be in breach under this MOU if it fails to perform or satisfy any obligation or requirement set forth herein, or if it fails to comply with the Agency's established Program Guidelines, the Act, Measure A or other applicable law. If such violation is subject to cure, it shall be deemed a breach of this MOU if the violation is not cured by Recipient within 60 calendar days of receiving written notice from Agency. Agency's written notice to Recipient shall set forth each violation, and for any nonmonetary violations, a reasonable description of the measures necessary to cure each nonmonetary violation.

14.4 Remedies.

14.4.1. Recipient's sole remedy shall be to institute an action at law or equity to seek specific performance of the terms of this MOU. Recipient shall not be entitled to recover damages for any breach by Agency hereunder. For clarity, this Section allows for Recipient to obtain a court order to receive

disbursement of Agency funds that Recipient is legally entitled to receive or to obtain a declaration of rights among the Parties under the law or this MOU.

14.4.2. If Agency alleges that Recipient has committed fraud, embezzlement, or a serious misappropriation of funds in violation of the Act, Measure A, or both, and Agency must take immediate action to remedy the violation, then Agency may: (i) institute an action at law or equity to pursue all available legal or equitable remedies without providing a period for cure; or (ii) pause disbursements of PPO funds, Technical Assistance funds, and/or RPHP funds to Recipient until such time as Agency reasonably determines that Recipient is complying with this MOU, or a court of competent jurisdiction orders Agency to resume disbursing PPO funds, Technical Assistance funds, and/or RPHP funds to Recipient.

15. Most Favored Nation. Recipient acknowledges that Agency receives Measure A revenues for the purpose of passing through funding to multiple Eligible Jurisdictions throughout the County of Los Angeles and that each Eligible Jurisdiction, including Recipient, benefits from terms that ensure that another Eligible Jurisdiction (or its Subrecipients or contractors) does not take actions against Agency that would put Agency's pool of funds at risk. Therefore, Agency recognizes that the terms of this MOU, including but not limited to the indemnity provisions and limitations on damages against Agency, are most effective if applicable to all Eligible Jurisdictions. Recipient shall therefore be subject to the same terms and conditions of the Eligible Jurisdiction that receives the most favorable terms in its Funding Memorandum of Understanding with Agency. This most favored nation clause is not triggered by, and shall not preclude, Agency from settling or resolving disputes with Eligible Jurisdictions or other claimants; it is only intended to ensure the standardization of the various MOUs.

16. Notice.

16.1. **Methods.** All notices, consents, requests, demands, and other communications required or permitted under this MOU must be in writing and are conclusively deemed effective:

- (A) On personal delivery;
- (B) On confirmed delivery by courier service;
- (C) On the first business day after transmission if sent by registered electronic mail transmission, with unmodifiable proof of content, delivery, and time of delivery;
- (D) If delivered by non-registered email, when the recipient, by an email sent to the email address for the sender stated in this Section 1616 or by a notice delivered by another method in accordance with this Section 1616 acknowledges having received the sender's email, provided that an

automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section 1616; or

- (E) On the third day after deposit in the United States mail, by certified or registered mail, postage prepaid, addressed to the other Party.

16.2. **Courtesy Notice.**

- (A) If a Party gives notice under Section 16.116.1(A), (B), or (E) above, the noticing Party will make a good-faith effort to also send a courtesy copy of the notice to the other Party by email.
- (B) Failure to receive a courtesy copy is not a defect in notice.

16.3. **Addresses.**

- (A) Notices and other written communications to Agency must be sent to:

Los Angeles County Affordable Housing Solutions Agency
1370 N St. Andrews Place, Room B-16
Los Angeles, CA 90028
Attention: Ryan Johnson, Interim Chief Executive Officer
Email: ryan.johnson@lakahsa.gov

With a copy to:

Best Best & Krieger LLP
300 South Grand Ave., Suite 2500
Los Angeles, CA 90071
Attention: Michael Maurer and Paula de Sousa
Emails: michael.maurer@bbklaw.com and paula.desousa@bbklaw.com

- (B) Notices and other written communications to Recipient must be sent to:

Los Angeles Housing Department
1910 Sunset Blvd 3rd floor, Suite 300
Los Angeles, CA 90026
Attention: Tiena Johnson Hall, General Manager, Los Angeles Housing Department
Email: tiena.hall@lacity.org

- 16.4. **Change of Address.** Either Party may change its address or email address by giving the other Party notice of the change in any manner permitted by this MOU.

- 16.5. **Refused or Undeliverable Notice.** Any correctly addressed notice that is refused,

unclaimed, or undeliverable because of an act or omission of the Party to be notified is deemed effective as of the first date that the notice was refused, unclaimed, or deemed undeliverable by the postal authorities, courier service, or other delivery service (as applicable).

17. Miscellaneous.

- 17.1. **Governing Law; Venue.** This MOU is governed by the laws of the State of California. Venue lies only in the state and federal courts in Los Angeles County, California.
- 17.2. **Integrated Agreement.** This MOU is the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior written and oral agreements or understandings between the Parties. Except for updates to the Exhibit A allocations based on the Annual Expenditure Strategy Plan as described in Section 2 herein, any modifications or amendments of this MOU must be effectuated by a written document signed by both Parties. No Party is relying on any other negotiation, discussion, or agreement in connection with the subject matter of this MOU. This is a fully integrated agreement.
- 17.3. **Independent Representation by Counsel.** The Parties represent that in executing this MOU they have relied solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel.
- 17.4. **Capacity to Contract.** Recipient has the capacity and the authority to fulfill the obligations required of it hereunder and nothing prohibits or restricts the right or ability of Recipient to carry out the terms hereof.
- 17.5. **Authority to Execute.** Each person executing this MOU on behalf of Recipient represents and warrants to Agency that they are duly authorized to execute and deliver this agreement on behalf of Recipient.
- 17.6. **Assignment.** Recipient may not assign this MOU without Agency's prior written consent, which may be withheld for any reason.
- 17.7. **Severability.** If any provision of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable and the invalidity or unenforceability of such a provision does not deny a Party the material benefit of this MOU, then the other provisions of this MOU that can be given effect without the invalid provision remain in effect.
- 17.8. **Headings.** This MOU's headings are inserted solely for convenience of reference and are not intended to govern, limit, or aid in the construction of any term or provision hereof.
- 17.9. **Counterparts; Electronic Signatures.**

- (A) This MOU may be signed and delivered in counterparts.
- (B) In addition to any other lawful method of executing this MOU, this MOU may be signed and delivered by each Party either: (i) electronically by facsimile (e.g., scanned image or PDF copy); or (ii) digitally through the use of EchoSign, DocuSign, or such other commercially available digital- signature software that results in verified and confirmed signatures delivered electronically to each Party.
- (C) Each electronic or digital signature of a Party is treated as an original, as if personally signed by that Party.

17.10 **Agreements with Third Parties.** If Recipient enters into any agreements with contractors, consultants, subrecipients or other parties (“**Other Contracting Party**”) for the use of PPO Funds, Technical Assistance Funds, or RPHP Funds for the implementation of eligible activities (“**Third-Party Contracts**”), such Third- Party Contracts shall be consistent with the terms of this MOU. Recipient shall include in all Third-Party Contracts a requirement to comply with all terms of this MOU applicable to the work or services provided by the Other Contracting Party, and all legal requirements, including the Measure A requirements.

17.11 **No Third-Party Beneficiary.** There is no intended third-party beneficiary of this MOU.

17.12 **No Waiver.** No waiver of a provision of this MOU is valid unless it is made in writing and signed by the Party against whom such waiver is sought to be enforced. A failure to enforce a right hereunder does not constitute a continuing waiver of that right or a waiver of any other right hereunder. No waiver, benefit, privilege, or service that is voluntarily given or performed by a Party gives the other Party any contractual right by custom, estoppel, or otherwise.

17.13 **Successors and Representatives.** This MOU binds and inures to the benefit of the Parties and their respective heirs, personal representatives, successors, and (where permitted) assignees.

17.14 **Conflicts.** In instances where this MOU, the Program Guidelines, the Expenditure Plan and Agency Strategy, and any additional policy or guidelines developed by Agency conflicts with Measure A or the Act (Government Code Section 64700 et seq.), the requirements of Measure A and the Act shall prevail.

(Signatures on the following page)

IN WITNESS WHEREOF, the Parties have executed this MOU as indicated below.

RECIPIENT

CITY OF LOS ANGELES

By: _____
Tiena Johnson Hall, General Manager, Los Angeles Housing Department

APPROVED AS TO FORM

HYDEE FELDSTEIN SOTO, City Attorney

By: _____
Deputy/Assistant City Attorney

AGENCY

LOS ANGELES COUNTY AFFORDABLE HOUSING SOLUTIONS AGENCY

By: _____
Ryan Johnson, Interim CEO

APPROVED AS TO FORM

By: _____
Michael J. Maurer, Co-General Counsel

EXHIBIT A

Eligible Jurisdictions

Eligible Jurisdiction	PPO Pro Rata RHNA Share¹	Technical Assistance Share	RPHP Share
Burbank-Glendale-Pasadena Regional Housing Trust	1.03%	0.09%	0.56%
City of Glendale	0.69%	0.09%	0.55%
City of Long Beach	1.38%	0.20%	1.21%
City of Los Angeles	22.80%	1.72%	10.34%
City of Santa Clarita	0.63%	0.04%	0.23%
Gateway Cities Council of Government/Gateway Cities Affordable Housing Trust	2.37%	0.35%	2.12%
Las Virgenes/Malibu Council of Governments	0.07%	0.01%	0.04%
North Los Angeles County Transportation Coalition JPA	0.76%	0.09%	0.56%
San Fernando Valley Council of Governments	0.09%	0.01%	0.04%
San Gabriel Valley Council of Governments/San Gabriel Valley Regional Housing Trust	4.22%	0.36%	2.14%
South Bay Cities Council of Governments/South Bay Regional Housing Trust	1.91%	0.21%	1.28%
Unincorporated Los Angeles County	4.86%	0.23%	1.39%
Westside Cities Council of Governments	1.19%	0.09%	0.55%

¹ As approved by Agency's Board on 6/25/2025. Pursuant to the Act, the Pro Rata RHNA Shares attributable to the Councils of Governments exclude any share attributable to an individually listed jurisdiction.

EXHIBIT B-1

Government Code Section 64830

64830.

...

- (d) Subject to funding eligibility and adjustment pursuant to subdivision (b) of Section 64717, the agency shall distribute regional housing revenue in the form of a grant, loan, or other financing tool pursuant to subdivision (q) of Section 64720 in a manner that achieves the following shares in the annual expenditure plan:
- (1) A minimum of 40 percent of the annual programmatic budget, excluding any bond indebtedness, shall be spent on affordable housing creation, preservation, and ownership as follows:
- (A) The following conditions shall apply with regard to affordable housing creation:
- (i) Funding pursuant to this subparagraph may be used for the following purposes, including, but not limited to, land acquisition, housing acquisition, financing, and ownership programs, including the agency serving as a single source of financing as appropriate, income assistance for extremely low income households, and project-based rental assistance contracts with no time limit that are restricted to the support of extremely low income households.
- (ii) Financing for any development costs associated with a project or funding grant that is for housing that is 100 percent affordable, which means restricted to any household that earns less than 80 percent of the area median income (AMI), including permanent supportive housing that includes onsite supportive services. An eligible project may also include a subset of at least 50 units, or 50 percent of the total units, whichever is greater, in a larger development that includes units targeted up to 120 percent of AMI, in which case the agency may only fund units that are designated for extremely low and very low income households, and agency funds shall not be used in connection with any unit that is income restricted due to development incentives, density bonuses, or similar programs.
- (I) For each of the eligible jurisdictions, as defined in paragraph (1) of subdivision (a) of Section 64830.5, 25 percent of all funded units shall be reserved for extremely low income households, as defined in Section 50106 of the Health and Safety Code, and 25 percent shall be reserved for very low

income households, as defined in Section 50105 of the Health and Safety Code, over any two-year period, with regular monitoring by the citizens' oversight committee and board of units funded and constructed during that two-year period.

- (II) For each project, 10 percent of the units in the project shall be reserved for extremely low income households and 10 percent of the units shall be reserved for very low income households.
- (B) Funding pursuant to this paragraph for affordable housing preservation programs may be used to acquire, rehabilitate, place affordability restrictions on, and preserve existing housing units, housing from the private market, and units in residential hotels as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code for affordability, in order to prevent the loss of affordability and expand permanent affordability. Funding provided pursuant to this subparagraph shall be subject to both of the following conditions:
- (i) Existing residents of buildings acquired for the purpose of affordable housing preservation shall not be permanently displaced, even if the resident's household income exceeds the moderate- income limits in Section 50093 of the Health and Safety Code.
 - (ii) Buildings acquired for the purpose of affordable housing preservation shall achieve 100 percent occupancy by extremely low or very low income households over time through unit turnover.

Grants, loans, or other financing provided to community land trusts and other similarly structured nonprofit entities to acquire, rehabilitate, and preserve existing housing units are an eligible use pursuant to this subparagraph.

Programs to enable low- or moderate-income households to become or remain homeowners, including, but not limited to, below market rate ownership programs, downpayment assistance programs, residential rehabilitation loan programs, and grants or loans to assist in the rehabilitation or replacement of existing mobile homes located in a mobile home or manufactured home are eligible uses pursuant to this subparagraph.

- (C) Funding provided pursuant to this paragraph shall be subject to the following conditions in the event that demolition or rehabilitation of housing units is required:
- (i) (I) Any funded development or affordable housing grant on any property that includes a parcel or parcels that currently have residential uses, or within the five years preceding the grant have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that

restricts rents to levels affordable to persons and families of low or very low income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low- or very low income households, shall be subject to a policy requiring the replacement of all those units to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy.

- (II) Replacement requirements shall be consistent with those set forth in paragraph (3) of subdivision (c) of Section 65915, provided that any dwelling unit that is or was, within the five-year period preceding the grant, subject to a form of rent or price control through a local government's valid exercise of its police power and that is or was occupied by persons or families above lower income shall be replaced with units made available at affordable rent or affordable housing cost to, and occupied by, low-income persons or families.

(ii) If existing residents are required to be relocated due to demolition or rehabilitation needs, the developer is required to provide relocation benefits to the occupants of those housing rental units subject to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1. The developer shall comply with either the local government requirements for relocation assistance to displaced households or the policy set by the agency for relocation assistance to displaced households, whichever provides a greater benefit to

the relocated or displaced households.

(iii) If existing occupants who are lower income households are required to vacate their units due to demolition or rehabilitation needs, the developer shall provide a right of first refusal for a comparable unit available in the new or rehabilitated housing development that is affordable to the household at an affordable rent, as defined in Section 50053 of the Health and Safety Code, or an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code.

(Amended by Stats. 2024, Ch. 80, Sec. 73. (SB 1525) Effective January 1, 2025.)

EXHIBIT B-2

Government Code Section 64830.5(a)(2)(A)

64830.5(a)(2).

...

(A)

- (i)** Seventy percent of annual funding for the purpose of affordable housing preservation, affordable housing production, income assistance for extremely low-income households, and long-term, project-based rental assistance shall be allocated, based on the eligible jurisdiction's pro rata lower income housing need, to the eligible jurisdictions, provided that the allocation is consistent with the eligible uses of the funding set forth in paragraph (1) of subdivision (d) of Section 64830.
- (ii)**

 - (I)** Thirty percent of annual funding for the purpose of affordable housing preservation, affordable housing production, and long-term rental assistance, with no time limit, shall be allocated by the agency to the eligible jurisdictions consistent with the guiding principles of the agency and the eligible uses outlined in Section 64830.
 - (II)** At least 5 percent of funds allocated pursuant to subclause (I) shall be used for technical assistance grants to cities with a population under 50,000.
- (iii)** If an eligible jurisdiction is found to be out of compliance with affordability targets at the end of a two-year period, the board may take any of the following actions:

 - (I)** Limit the funding for the jurisdiction to extremely low and very low income housing units only until compliance is reestablished.
 - (II)** Require the funding allocated to the jurisdiction to be administered by the agency instead of the jurisdiction.
 - (III)** Increase funding incentives as needed to meet project and programmatic targets.
- (iv)**

 - (I)** Any eligible jurisdiction may receive a direct allocation of all or part of the jurisdiction's funding described in this subparagraph if all of the following conditions are met:

 - (ia)** The jurisdiction agrees to adopt and adhere to agency financing policies and guidelines, including public engagement and notice provisions outlined in this chapter.

- (ib) All funded projects are in compliance with the agency's eligible uses and affordability requirements.
 - (ic) The jurisdiction agrees to allocate its funding within 12 months through administrative processes without being subject to additional legislative process.
 - (id) The jurisdiction is in compliance with Affirmatively Fair Housing in California guidelines.
- ...
- (ia) Once committed to a specific project, funds shall remain available for expenditure for an additional five years, unless an extension is authorized pursuant to sub-subclause (ib).
 - (ib) If the funds have not been expended within five years of receipt as required in sub-subclause (ia), the jurisdiction shall show that it has made adequate progress towards completing the project. If the agency finds that the city has made adequate progress, the agency shall authorize an additional 24 months to grant entitlements to the remainder of the

project. If the agency does not find that the city has made adequate progress, the funds shall be transferred to the agency. The agency shall hold the funds until the city submits a

plan satisfactory to the agency to move forward with the project or allocate funds to another qualified project consistent with the jurisdiction's expenditure plan.

(ic) For purposes of this subclause, "adequate progress" means the project has received the land use approvals or entitlements necessary for at least 75 percent of the project's units. . . .

(Amended by Stats. 2024, Ch. 80, Sec. 73. (SB 1525) Effective January 1, 2025

EXHIBIT B-3

Government Code Section 64830

64830.

...

- (d) Subject to funding eligibility and adjustment pursuant to subdivision (b) of Section 64717, the agency shall distribute regional housing revenue in the form of a grant, loan, or other financing tool pursuant to subdivision (q) of Section 64720 in a manner that achieves the following shares in the annual expenditure plan:

...

- (4) At least 5 percent of the total annual programmatic budget, excluding any bond indebtedness, shall be used for technical assistance, research, and policy development. Eligible uses for these funds include, but are not limited to, all of the following:
- (A) Collecting and tracking information related to displacement and displacement risk, rents, and evictions in the region.
 - (B) Drafting model affordable housing land use ordinances that may be adopted by any jurisdiction in the County of Los Angeles.

...

(Amended by Stats. 2024, Ch. 80, Sec. 73. (SB 1525) Effective January 1, 2025.

EXHIBIT B-4

Government Code Section 64830

64830.

...

(d) Subject to funding eligibility and adjustment pursuant to subdivision (b) of Section 64717, the agency shall distribute regional housing revenue in the form of a grant, loan, or other financing tool pursuant to subdivision (q) of Section 64720 in a manner that achieves the following shares in the annual expenditure plan:

...

(2)

- (A) At least 30 percent of the total annual programmatic budget, excluding any bond indebtedness, shall be spent on countywide renter protection and support programs.
- (B) These programs include any effort that helps renters of lower income households, as defined in Section 50079.5 of the Health and Safety Code.
- (C) Eligible uses of the funds include, but are not limited to, all of the following:
 - (i) Preeviction and eviction legal services, counseling, advice and consultation, training, renter education and representation, and services to improve habitability that protect against displacement of tenants.
 - (ii) Providing rental assistance for lower income households. Rental assistance shall be provided to a specific household for a reasonable amount of time not to

...

exceed six months, and shall be paired with supportive services, such as eviction prevention and defense, to the greatest extent possible.

(ii) Providing relocation assistance for lower income households beyond what is legally required of landlords according to local or state law.

(Amended by Stats. 2024, Ch. 80, Sec. 73. (SB 1525) Effective January 1, 2025.

EXHIBIT C-1

Measure A Labor Requirements SECTION 28.

CONSTRUCTION WORK.

- A. It is the intent of this section to encourage the development of local job opportunities and career pathways into the building and construction trades, including but not limited to apprenticeship and pre-apprenticeship programs.
- B. Any construction or rehabilitation project receiving funding or financing from this Ordinance, including but not limited to a project of fewer than 40 units, shall constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the Labor Code.
- C. A project of 40 or more units is eligible to receive funding or financing from this Ordinance only if all construction and rehabilitation is subject to the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 if the project is within the City of Los Angeles, or the Countywide Community Workforce Agreement executed by the Chief Executive Officer on June 7, 2023 if the project is elsewhere, or any successor to either agreement.
- D. For purposes of sections 28 and 29 of this Ordinance, the number of units means the maximum number of units authorized in an entitlement granted by the land use permitting authority for a development project, regardless of whether construction or rehabilitation proceeds in phases or project ownership is divided.
- E. The Designated Enforcement Agency (“DEA”) shall have authority to enforce Labor Code sections 1720-1815, as amended from time to time, for projects funded by the tax imposed by this Ordinance. Any developer, contractor, or subcontractor as to such projects shall be required to cooperate fully in any investigation the DEA initiates. For projects located in the City of Los Angeles, the DEA shall be the Department of Public Works, Bureau of Contract Administration. For projects elsewhere, the contracting Funding Recipient shall act as or designate the DEA. The DEA shall be authorized to work with joint labor management committees established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. section 175a) in order to carry out the enforcement/investigation duties under this Ordinance. A joint labor management committee may bring an action in any court of competent jurisdiction against an employer that fails to comply with the labor standards required under this Ordinance.
- F. Notwithstanding subsection C of this section, if a project labor agreement is agreed between the Funding Recipient or project developer, the Los Angeles/Orange Counties Building and Construction Trades Council, and the Western States Regional Council of Carpenters, then a project with 40 or more units is eligible to receive funding or financing from this Ordinance if all construction and rehabilitation is subject to that project labor agreement.
- G. For purposes of this Ordinance, “project labor agreement” has the meaning stated in subdivision (b)(1) of section 2500 of the Public Contract Code.

EXHIBIT C-2

**Government Code
Section 64720.5**

64720.5.

- (a) Any construction or rehabilitation project receiving funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, including, but not limited to, a project with under 40 units, shall constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.
- (b) A project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, only if all construction and rehabilitation is subject to the City of Los Angeles Department of Public Works PLA. For purposes of this subdivision and subdivision (c), the number of units means the maximum number of units authorized in an entitlement granted by the land use permitting authority for the development project, regardless of whether construction or rehabilitation proceeds in phases or ownership is divided.
- (c) Notwithstanding subdivision (b), if a specific countywide project labor agreement is negotiated with mutual agreement between the Los Angeles/Orange Counties Building and Construction Trades Council and the Southern California Association of Nonprofit Housing and approved by the agency, then a project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, only if all construction and rehabilitation is subject to the specific countywide project labor agreement rather than the Department of Public Works PLA.
- (d) For purposes of this section, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.
- (e) For purposes of this section, “Department of Public Works PLA” means the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 with Los Angeles/Orange Counties Building and Construction Trades Council, effective August 25, 2021.

(Added by Stats. 2022, Ch. 661, Sec. 1. (SB 679) Effective January 1, 2023.)

EXHIBIT C-3

Measure A Section 27

SECTION 27. IMPROVING RECRUITMENT AND RETENTION OF HOMELESSNESS SERVICE AND PREVENTION WORKERS.

- A. All contracts funding social services positions, including but not limited to homelessness services and eviction prevention workers, financed by the tax imposed by this Ordinance must:
1. Set sufficient payment rates to enable contractors to pay wages aligned with public and private market conditions;
 2. Allow amendments, as needed, to provide that incentives and wage increases for cost of living similar to those offered to County staff and/or Los Angeles Homeless Services Authority staff are also available to service provider and prevention worker staff;
 3. Allow annual adjustments to reflect cost-of-living adjustments, increases in administrative allowances, and operational cost changes due to inflation or other factors (such as supply shortages, insurance market changes, etc.);
 4. Be paid in a timely manner to prevent unnecessary cost increases borne by service providers; and
 5. Not result in displacement of public employees.

Multi-year contracts are encouraged to support system, service delivery, workforce, and nonprofit service provider stability.

- B. By June 30, 2025, the County shall establish a labor council with equal representation from organized labor and nonprofit social service provider leadership to discuss pay equity and career development at contracted service providers, especially with regard to racial disparities and for those with lived experience of homelessness. This council shall make recommendations to the Board of Supervisors on issues related but not limited to all levels of compensation, wages and benefits, and appropriate pay ranges as compared to County employees performing similar work, including the feasibility of contracts for social services positions financed by this Ordinance meeting or exceeding area wage standards, pay equity for service provider staff, and the allowance of cost-of-living adjustments. The labor council shall provide initial recommendations to the Board of Supervisors by June 30, 2026.
- C. Every three years, the Chief Executive Officer shall conduct a review every three years of current payment rates across service types (such as interim housing bed rates) to inform rate changes and, every five years, shall review current administrative rates allowed in service contracts compared with industry standards and best practices.

Transitional Program Guidelines

LACAUSA
The Affordable Solutions Agency

September 2025



LACAUSA
THE AFFORDABLE
SOLUTIONS AGENCY

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1. Program Overview

In 2022, the California Legislature passed Senate Bill 679, the Los Angeles County Regional Housing Finance Act (“SB 679” or “the Act”), which created the Los Angeles County Affordable Housing Solutions Agency (“LACAHSa” or “the Agency”). The Agency’s purpose is to increase the supply of affordable housing in Los Angeles County by providing for significantly enhanced funding and technical assistance at a regional level for renter protections, affordable housing preservation, and new affordable housing production.

In 2024, Los Angeles County voters approved Measure A, a half-cent sales tax to fund homeless services and affordable housing development throughout the County. The tax replaces Measure H, a quarter-cent sales tax for homeless services approved by voters in 2017. The goal of Measure A is to significantly reduce and prevent homelessness in Los Angeles County. Measure A is expected to generate over \$1 billion in revenue annually.

Just over one third (35.75 percent) of revenues generated by Measure A will be directed to LACAHSa for affordable housing production and preservation, renter protection and homelessness prevention, and technical assistance. LACAHSa, in turn, must pass through 70 percent of this funding to Eligible Jurisdictions.

Eligible Jurisdictions are the County of Los Angeles, the City of Los Angeles, the City of Long Beach, the City of Glendale, the City of Santa Clarita, the Burbank-Glendale-Pasadena Regional Housing Trust, and the Councils of Government (COGs) in Los Angeles County. The Cities of Palmdale and Lancaster elected to receive their funding through the North Los Angeles County Transportation Coalition JPA (NCTC). COGs may pass through funding to their member cities, except to cities that are Eligible Jurisdictions that receive allocations directly from LACAHSa. COGs may also allocate funding to regional housing trusts as approved by the LACAHSa Board of Directors (“Board”). LACAHSa is required to spend its 30 percent allocation in Eligible Jurisdictions and may pass all or some of those funds through directly to Eligible Jurisdictions to administer or may administer programs itself. Finally, Eligible Jurisdictions may opt for LACAHSa to administer their funding allocation in whole or in part, as outlined in these Program Guidelines (“Guidelines”).

a. Purpose of the Guidelines

The purpose of these Guidelines is to describe the programmatic and administrative requirements of LACAHSa’s funding program and to enable LACAHSa and the Eligible Jurisdictions to expend revenues as provided for in the approved Annual Expenditure Plan.

Within each programmatic category, LACAHSa and the Eligible Jurisdictions are required to only expend funds on the Eligible Uses described in the Act and Measure A. Furthermore,

the Act charges the LACAHSAs Board with approval of all allocations of revenues to projects and programs. To meet these requirements, these Guidelines set forth certain specific Eligible Uses within each category that the Board has pre-approved, but they also establish a mechanism for Eligible Jurisdictions to request the Board’s approval of other uses that meet the goals of the Act. This dual approach is intended to enable the quick deployment of funding, while not stifling the creativity and innovation needed to address the homelessness crisis in Los Angeles County.

These Guidelines are meant to implement the goals and requirements contained in SB 679, Measure A, LACAHSAs Annual Expenditure Plan, and other documents adopted by the LACAHSAs Board. Eligible Jurisdictions may develop additional guidelines and standards consistent with the purposes of this funding.

Unless explicitly noted within these Guidelines, LACAHSAs must follow the same requirements as established for Eligible Jurisdictions.

In instances where these Guidelines or additional guidance provided by LACAHSAs conflicts with SB 679 or Measure A, the requirements in SB 679 and Measure A shall prevail.

b. Roles and Responsibilities

i. LACAHSAs

The Los Angeles County Affordable Housing Solutions Agency (“LACAHSAs”) was created by the California State Legislature in 2022 through the Los Angeles County Regional Housing Finance Act (“SB 679” or “the Act”). LACAHSAs is responsible for, among other duties:

- Providing a portion of Measure A funds to Eligible Jurisdictions;
- Allocating a portion of Measure A funds directly to eligible programs and projects (through “At-Large Funding Allocations”);
- Adopting an Annual Expenditure Plan to set forth the share of revenue and estimated funding amount to be spent on each funding category included in SB 679;
- Establishing and tracking performance metrics; and
- Approving the use of funds.

ii. Eligible Jurisdictions

Eligible Jurisdictions are public entities that are eligible to receive an allocation of Measure A funding directly from LACAHSAs. Under SB 679, Eligible Jurisdictions are described as the County of Los Angeles on behalf of Unincorporated Communities, the City of Los Angeles, the City of Long Beach, the City of Glendale, the City of Santa Clarita, and the Councils of Government (COGs) in Los Angeles County. COGs may also choose to allocate all or some of their funding to regional housing trusts as approved by the LACAHSAs Board of Directors.

Eligible Jurisdictions are responsible for administering and expending Measure A funds in a manner consistent with the requirements included in Measure A, SB 679, the LACAHSAs Annual Expenditure Plan, and these Program Guidelines.

Subrecipients

Subrecipients are public agencies and private nonprofit agencies that receive funding from LACAHSAs and/or Eligible Jurisdictions to administer and implement programs. Subrecipients can include cities that receive funding from COGs, as well as nonprofits that receive funds from LACAHSAs and Eligible Jurisdictions. Subrecipients must comply with the same program requirements as LACAHSAs and the Eligible Jurisdictions.

Eligible Jurisdictions are responsible for ensuring that all subrecipients have the capacity and ability to manage and carry out the activities awarded to them.

Eligible Jurisdictions may elect to enter into agreements with subrecipients to directly administer all or a portion of their allocation on their behalf. The Eligible Jurisdiction must establish this relationship in accordance with their own processes and requirements.

Contractors

Contractors are for-profit, nonprofit, or public entities that are paid by LACAHSAs, Eligible Jurisdictions, or Subrecipients in return for specific goods and services, where payment is made as compensation for such goods and services.

c. Transitional Guidelines

LACAHSAs is committed to a strategic, collaborative approach to expanding these critical services throughout Los Angeles County. To promote innovation and ongoing program and policy development, LACAHSAs will adopt these Guidelines for its initial year of operations. This will allow time to refine program design in collaboration with Eligible Jurisdictions and community partners. The Board may elect to amend these Guidelines throughout the year and prior to the next fiscal year.

LACAHSAs will use this transitional phase to:

- Test and refine program components;
- Collect feedback from community stakeholders;
- Develop shared tools to support standardized implementation of programs across the county in alignment with these Program Guidelines; and
- Engage with Eligible Jurisdictions and community-based organizations to inform final Program Guidelines for Fiscal Year 2026-27 and beyond.

2. Funding Process Overview

a. Annual Expenditure Plan

The LCAHSA Board is required to adopt an Annual Expenditure Plan by July 1 of each year. The Annual Expenditure Plan sets forth the share of revenue and estimated funding amounts to be spent on each funding category included in SB 679, indicates the household income levels to be served within each category of expenditures, and estimates the number of affordable housing units to be built or preserved and the number of tenants to be protected. The Annual Expenditure Plan may also include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes. The LCAHSA Board may revise and update the Annual Expenditure Plan throughout the fiscal year.

When taken together, SB 679 and Measure A require the following distribution of funding by programmatic use:

- 60 percent for Production, Preservation, & Ownership (“PPO”), of which 77.25 percent is set aside for new construction
 - 80 percent of housing units produced during the time period in which funding is required to be expended must be subject to the Project Labor Agreement Requirements described in Section 4 of these guidelines
- 30 percent for Renter Protection and Homelessness Prevention (“RPHP”)
- 5 percent for Technical Assistance (“TA”)
- 5 percent for LCAHSA’s internal administration and operations

SB 679 and Measure A also dictate how LCAHSA funds are distributed between LCAHSA and the Eligible Jurisdictions:

- 15 percent of programmatic funds are allocated annually at the discretion of the LCAHSA Board
- Of the remaining programmatic funds:
 - 30 percent of programmatic funds are allocated to LCAHSA
 - 70 percent of programmatic funds are allocated to the Eligible Jurisdictions

b. Funding to Eligible Jurisdictions

i. Allocation Notice

The Annual Expenditure Plan includes the allocations for each Eligible Jurisdiction and establishes an estimate of funds that LCAHSA will receive throughout the year. LCAHSA will make funds available to Eligible Jurisdictions in accordance with the actual revenues

received. Once the County Auditor-Controller notifies LCAHSA that revenues have been placed in LCAHSA's account, LCAHSA will then determine the amount of funds that are available for each Eligible Jurisdiction. LCAHSA will then issue an Allocation Notice to each Eligible Jurisdiction.

ii. Memorandum of Understanding

Prior to receiving any portion of a funding allocation, each Eligible Jurisdiction will be required to execute a Memorandum of Understanding (MOU) with LCAHSA using the format provided by LCAHSA. Each MOU will be a binding commitment from the Eligible Jurisdiction to comply with all requirements of the Act and Measure A in the use of the funding and to comply with these Program Guidelines and all other policies and guidelines of the LCAHSA Board. The term of the MOU is a period of one year and will be the administering agreement for all funds allocated during the program year.

As a condition of receiving funds, the Eligible Jurisdiction will affirm through execution of the MOU that it agrees to its proportional allocation and will not challenge the allocation amount.

iii. Funding Requests

Once an Eligible Jurisdiction has executed an MOU with LCAHSA, it may make two types of funding requests: requests for Annual Allocations and requests to fund specific projects or programs. All funding requests are submitted to LCAHSA using the prescribed forms and processes as required by LCAHSA.

Funding can be provided as an advance, subject to funding availability, or as a reimbursement, based on the preference of the Eligible Jurisdiction. More information regarding the disbursement process and requirements for advanced funds and reimbursements is included below in the section titled "Disbursement Process and Requirements."

Annual Allocation

An Annual Allocation is a request to disburse funding directly to the Eligible Jurisdiction for the Eligible Jurisdiction to determine how to expend the funds within eligible uses. The requirements for Annual Allocations will vary based on the category of funds. An Annual Allocation may be for all or a portion of an Eligible Jurisdiction's allocation of funds. In order to receive an Annual Allocation of funds, the Eligible Jurisdiction must meet the following conditions specified in SB 679:

- Condition 1: The Eligible Jurisdiction agrees to adopt and adhere to these Guidelines and any other policies adopted by LCAHSA for the use of funds;

- Condition 2: All funded projects comply with LACAHSAs eligible uses and affordability requirements;
- Condition 3: The Eligible Jurisdiction will provide documentation of the legislative action approving the Eligible Jurisdiction’s annual budget and committing the funds for proposed activities. To meet this condition, the Eligible Jurisdiction must have no further legislative action to *allocate* the funds to the proposed activity, but the statute recognizes that the projects themselves may require additional legislative actions prior to completion, such as entitlements or contracts (See Section 64830.5(a)(2)(A)(iv)(II), which provides for a five-year period to expend the funds and allows for an extension of time if 75 percent of entitlements have been obtained). Meeting this condition also does not prevent a re-allocation to other proposed activities, provided that the Eligible Jurisdiction first updates its budget (See Section 4.d. of these Guidelines regarding updates to the Annual Budget). Subsequent to local legislative body approval of the annual budget, the Eligible Jurisdiction agrees to obligate its funding within 12 months of receipt through administrative processes without being subject to additional legislative actions for the obligation of said funds (to “obligate” funds means to commit funds to a project/activity; an obligation of funds is a legal liability to disburse funds immediately or at a later date. Once obligated, funds are then available to be spent on the project/activity); and
- Condition 4: The Eligible Jurisdiction will provide documentation that the activity is in alignment with its Housing Element and the corresponding sections in which the Eligible Jurisdiction indicates how it will affirmatively further fair housing. For COGs receiving an Annual Allocation of funds from LACAHSAs, the COG must affirm that it will verify this compliance with each jurisdiction at the point of award and maintain this documentation in the grants management system prior to an activity taking place. For purposes of this condition, an Eligible Jurisdiction will be deemed in compliance with Affirmatively Furthering Fair Housing in California guidelines if the County or city has adopted a housing element that complies with the affirmatively furthering fair housing requirements of the Housing Element law. If the Eligible Jurisdiction does not have a Housing Element that the Department of Housing and Community Development (“HCD”) has determined to be in compliance with the Housing Element Law, then it will need to document one of the following as applicable: (i) it has adopted a Housing Element that affirmatively furthers fair housing and is waiting for approval from HCD, (ii) it has received comments from HCD that do not modify the affirmatively furthering fair housing provisions; (iii) it has received comments from HCD addressing its affirmatively furthering fair housing provisions and is implementing such comments, (iv) it continues to affirmatively

further fair housing under an existing housing element while pursuing a housing element update, or (v) that it can otherwise document that it affirmatively furthers fair housing under State law.

Meeting Annual Allocation Conditions for PPO Activities

Eligible Jurisdictions must also meet the statutory conditions to receive Annual Allocations for PPO funds as follows:

- Condition 1: The Eligible Jurisdiction will meet this condition by approving and executing the MOU.
- Condition 2: The Eligible Jurisdiction will have to show that its current project(s) are an approved eligible use, as documented in the Annual Expenditure Plan, via submission of an annual budget in accordance with the schedule set forth by LACAHSAs.
- Condition 3: The Eligible Jurisdiction will provide documentation of the legislative action approving the Eligible Jurisdiction’s annual budget and committing the funds for proposed activities. To meet this condition, the Eligible Jurisdiction must have no further legislative action to *allocate* the funds to the proposed activity, but the statute recognizes that the projects themselves may require additional legislative actions prior to completion, such as entitlements or contracts (See Section 64830.5(a)(2)(A)(iv)(II), which provides for a five-year period to expend the funds and allows for an extension of time if 75 percent of entitlements have been obtained). Meeting this condition also does not prevent a re-allocation to other proposed activities, provided that the Eligible Jurisdiction first updates its budget (See Section 4.d. of these Guidelines regarding updates to the Annual Budget)
- Condition 4: The Eligible Jurisdiction will provide documentation that the activity is in alignment with its Housing Element and the corresponding sections in which the Eligible Jurisdiction indicates how it will affirmatively further fair housing. For COGs receiving an Annual Allocation of funds from LACAHSAs, the COG must affirm that it will verify this compliance with each jurisdiction at the point of award and maintain this documentation in the grants management system prior to an activity taking place. For purposes of this condition, an Eligible Jurisdiction will be deemed in compliance with Affirmatively Furthering Fair Housing in California guidelines if the County or city has adopted a housing element that complies with the affirmatively furthering fair housing requirements of the Housing Element law. If the Eligible Jurisdiction does not have a Housing Element that the Department of Housing and Community Development (“HCD”) has determined to be in compliance with the Housing Element Law, then it will need to document one of the following as

applicable: (i) it has adopted a Housing Element that affirmatively furthers fair housing and is waiting for approval from HCD, (ii) it has received comments from HCD that do not modify the affirmatively furthering fair housing provisions; (iii) it has received comments from HCD addressing its affirmatively furthering fair housing provisions and is implementing such comments, (iv) it continues to affirmatively further fair housing under an existing housing element while pursuing a housing element update, or (v) that it can otherwise document that it affirmatively furthers fair housing under State law.

Program/Project-Specific Allocation Request

Program/Project-Specific requests are made to LACAHSAs to carry out a program or project on behalf of an Eligible Jurisdiction. The requirement for a Program/Project-Specific request will be to show that the funds will be wholly used for an eligible use.

c. At-Large Funding Allocations

At-Large Funding Allocations are made by LACAHSAs using the portion of programmatic funds that are administered directly by LACAHSAs. As revenues are received, LACAHSAs will issue a Notice of Funding Availability (NOFA), or similar, to advertise the availability of funds.

The Act specifies that LACAHSAs must at a minimum consider the following factors when making At-Large Funding Allocations:

- Whether the allocation affirmatively furthers fair housing;
- The allocation's effect on displacement indicators;
- The allocation's effect on rent-burdened populations; and
- Whether the allocation serves populations with disabilities.

Additional considerations for the allocation of Countywide funding will be established by the Investment Review Committee in collaboration with LACAHSAs staff.

3. Determination of Eligible Uses of Funding

LACAHSAs funding may only be used for the eligible uses in the respective category of funding as set forth in Government Code section 64830 and Measure A. The LACAHSAs Board will have sole authority to determine whether any particular use is an eligible use. There will be two mechanisms for the Board to do this.

a. Pre-Approved Eligible Use

The LACAHSAs Board establishes, through adoption of the Annual Expenditure Plan and these Program Guidelines, the types of uses that are pre-approved as eligible uses.

b. Board-Approved Specific Eligible Use

If an Eligible Jurisdiction wants to allocate LACAHSAs funds to a use that has not been pre-approved in the Annual Expenditure Plan and Program Guidelines, the Eligible Jurisdiction may submit its proposed use to LACAHSAs in a funding request. The funding request should include a summary of the proposed activity and how it aligns with Measure A and the Act. The request will be submitted to the LACAHSAs Board or its designated body for consideration and approval. The Board or its designee will determine whether the proposed use is eligible and whether it will require an amendment to the Annual Expenditure Plan.

Such requests will be reviewed and considered as they are received and prioritized for review by the Board or its designee during the next scheduled meeting or session.

4. Production, Preservation, and Ownership (PPO)

a. Overview

To increase the number of affordable housing units throughout Los Angeles County, Measure A and SB 679 provide for affordable housing production, preservation, and ownership by Eligible Jurisdictions subject to the program requirements detailed in the sections that follow. Eligible Jurisdictions may invest PPO funds to create new affordable housing units and/or maintain the existing stock of affordable units provided that the projects or programs comply with each of the applicable program requirements enumerated in Measure A and the Act.

Eligible Jurisdictions are provided with the flexibility to deploy the tools that best respond to unique market conditions, organizational capacity, and individual risk tolerance, without the burden of additional layers of regulation. Through Technical Assistance and other publications, LACAHSAs will share the tools and strategies being deployed for projects receiving funds directly from LACAHSAs. Eligible Jurisdictions may use these tools and strategies or other appropriate resources to guide the local investment of PPO resources.

b. Program Requirements

i. Dedicated Share for New Construction

Measure A Section 29B mandates that 60 percent of funding is used for PPO. Of this amount, 77.25 percent is mandated for construction of new affordable housing (PPO-New Construction), which includes new construction of affordable housing units (inclusive of renter and owner housing), creation of new affordable housing units where there is no pre-existing residential use (e.g., conversion of hotel/motel or adaptive reuse of commercial property), and rent or operating subsidies that support new construction. The remaining

22.75 percent is a flexible category (PPO-Flexible) that may be spent on any eligible PPO program including construction, preservation (expansion or deepening of affordability for an existing residential unit), acquisition, rehabilitation, ownership, and rent and operating subsidies.

ii. Affordability

Measure A and the Act define affordability requirements at the portfolio and project levels for each Eligible Jurisdiction, with separate project level requirements for new construction and preservation.

Portfolio Requirements

Pursuant to Government Code Section 64830(d)(1)(A)(ii)(I), each Eligible Jurisdiction's portfolio of Measure A funded units shall meet or exceed the following requirements when measured in the aggregate over any two-year period:

- 25 percent of all funded and constructed units shall be reserved for extremely low-income households, as defined in Health and Safety Code Section 50106 (extremely low-income households are defined as households with incomes at or below 30 percent of the Area Median Income—AMI), and
- 25 percent of all funded and constructed units shall be reserved for very low-income households, as defined in Health and Safety Code Section 50105 (very low-income households are defined as households with incomes at or below 50 percent of AMI).

Compliance with this requirement will be monitored regularly by LACAHSAs and the Citizen's Oversight Committee in compliance with Government Code Section 64830(d)(1)(A)(ii)(I). During the time period required for the funding to be expended, 80 percent of all units produced must be subject to the Project Labor Agreement requirements described in more detail below.

Project Requirements – New Construction

Pursuant to Government Code Section 64830(d)(1)(A)(ii), new construction projects must meet one of the following requirements:

1. Be 100 percent affordable, meaning all units are restricted to households that earn up to 80 percent of AMI, and, in addition:
 - a. 10 percent of units must be reserved for extremely low-income households.
 - b. 10 percent of units must be reserved for very low-income households.
2. A project may also include a subset of at least 50 units, or 50 percent of the total units, whichever is greater, in a larger development that includes units targeted up to 120 percent of AMI. In these projects, the following requirements apply:

- a. 10 percent of units must be reserved for extremely low-income households.
 - b. 10 percent of units must be reserved for very low-income households.
 - c. Measure A funds may only pay for units that are designated for extremely low- and very low-income households, and shall not be used in connection with any unit that is income restricted solely due to development incentives, density bonuses, or similar programs.
3. In a project that is not 100 percent affordable, an Eligible Jurisdiction may finance a share of affordable units in said project. The project must reserve at least 10 percent of units for extremely low-income households and 10 percent of units for very low-income households. Measure A funds may not be used for units designated for households exceeding 80 percent of AMI.

Project Requirements – Preservation

Affordable housing preservation programs may be used for four activities:

- Acquire existing housing units;
- Rehabilitate existing housing units;
- Place affordability restrictions on existing units (through the provision of financing);
or
- Preserve existing affordable housing units through the extension of affordability restrictions.

Solely for projects in which the Eligible Jurisdiction (or a governmental entity) is acquiring existing subsidized affordable housing or market-rate housing to convert to affordable housing, Government Code Section 64830(d)(1)(B)(ii) requires that 100 percent occupancy by extremely low- or very low-income households shall be achieved over time through unit turnover. This allows for projects that are not currently subsidized to be converted to affordable housing over time, working towards occupancy of 100 percent of the project units as affordable to extremely low- and very low-income households. This provision of Government Code Section 64830(d)(1)(B)(ii) effectively prohibits the use of Measure A funding for tenant evictions, even if the tenants are not income-qualified following the affordability conversion.

If preserving affordable housing through an action other than acquiring a housing unit(s) by an Eligible Jurisdiction (or government entity), the Measure A assistance must be limited to units designated for households at or below 120 percent of AMI, except that 10 percent of units must be reserved for extremely low-income households and 10 percent of units must be reserved for very low-income households.

Achieving Occupancy Requirements for Preservation Projects

LACAHSAs recognizes that occupancy by extremely low- and very low-income households over time may not be financially feasible if Government Code Section 64830(d)(1)(B)(ii) is narrowly interpreted to mean that each time a unit turns over, the unit must then immediately be occupied by an extremely low- or very low-income household.

Further, Measure A funds cannot permanently displace existing residents of buildings acquired, rehabilitated, or otherwise assisted for the purpose of affordable housing preservation, even if the resident's household income exceeds 120 percent of AMI.

As such, the following minimum standards are adopted as part of these Program Guidelines to facilitate a range of fiscally sustainable preservation projects:

Acquisition by Eligible Jurisdiction or Governmental Entity

When a preservation project is acquired by an Eligible Jurisdiction or governmental entity, the following process must be used to achieve the occupancy requirements:

1. For an investment without must-pay debt service or debt service underwritten to accommodate extremely low- and very low-income households, a minimum 55-year restrictive covenant shall be recorded immediately upon execution of the written agreement providing Measure A funds for the preservation project. The period of affordability shall commence on the date of recordation in the Official Records of the County of Los Angeles. Every time a unit turns over, the unit must be rented to an extremely low- or very low-income household.
2. For a financed investment, a minimum 55-year restrictive covenant shall be recorded immediately upon execution of the written agreement providing Measure A funds for the preservation project. The 55-year period of affordability shall commence on the date upon which at least 25 percent of the units are occupied by extremely low-income households and at least 25 percent of the units are occupied by extremely low-income households. The project owner may determine the pace of conversion of units occupied by households earning more than 50 percent of AMI to units occupied by extremely low- or very low-income households over time through unit turnover, except that 30 years subsequent to the recordation of the restrictive covenant, 100 percent of the project units shall be occupied by extremely low- and very low-income households.

Other Preservation Activities

When a preservation project is carried out for any other purpose, the affordability period shall commence on the date upon which at least 75 percent of the units are occupied by households earning at or below 120 percent of AMI. The project owner may determine the pace of conversion of units occupied by households earning more than 50 percent of AMI to units occupied by extremely low- and very low-income households over time through unit turnover. Full affordability must be achieved 30 years subsequent to the recordation of the restrictive covenant, except that for Minor Rehabilitation projects (defined as rehabilitation projects where the average amount of Measure A assistance per Measure A restricted unit in the project is \$150,000 or less) full affordability must be achieved prior to the midpoint of the term of the restrictive covenant.

Affordable Rents

For PPO-New Construction and PPO-Flexible preservation projects, the restrictive covenant recorded in Official Records of the County of Los Angeles shall describe the income targeting requirements in sufficient detail to demonstrate compliance with Government Code Section 64830(d)(1)(A)(ii). The restrictive covenant shall also establish the affordable rent levels selected by the developer and approved by the Eligible Jurisdiction, consistent with the following standards:

- a. If the project is otherwise restricted by one other affordable housing funding source's published rent schedule, the restrictive covenant shall specify the use of the same rent schedule for Measure A units; or
- b. If the project is otherwise restricted by more than one other affordable housing funding source's published rent schedule, the restrictive covenant shall specify the use of one of the other schedule(s) for Measure A units, to be selected by the developer and approved by the Eligible Jurisdiction; or
- c. If the project is not otherwise restricted by another affordable housing funding source's published rent schedule, the developer may select from any of the following, subject to approval by the Eligible Jurisdiction:
 - a. Multifamily Tax Subsidy Projects (MTSP) rents published by HUD; or
 - b. Department of Housing and Community Development State Income Limits and Rents calculated pursuant to Health and Safety Code Sections 50052.5 and 50053.

Rental Affordability Restrictions and Period of Affordability for New Construction and Preservation Projects

Pursuant to Section 6.6 of the Affordable Housing Production, Preservation, and Ownership; Technical Assistance, Research and Policy; and Renter Protection and Homelessness Prevention Funding Memorandum of Understanding entered into by LACAHSAs and the Eligible Jurisdiction, Eligible Jurisdictions shall record a restrictive covenant on each project. For rental new construction, acquisition, or rehabilitation projects, the minimum period of affordability shall be 55 years.

When issuing a NOFA or similar invitation for proposals, Eligible Jurisdictions must award bonus points for projects that extend affordability periods beyond 55 years. Maximum bonus points must be granted for any project that achieves permanent affordability.

For projects that do not achieve permanent affordability, LACAHSAs encourages that the grant and loan agreements should require all best efforts by the owner to extend affordability permanently at the end of the 55 year covenant, including the tenant opportunity to purchase and community opportunity to purchase/right of first refusal.

When providing standalone rental assistance, operating subsidy, or master leasing assistance for existing properties, the Eligible Jurisdiction must deepen or establish an affordability period of at least 5 years after the conclusion of assistance.

Project Requirements – Homeownership

All homeownership assistance may only be provided to households who intend to purchase homes that will be used as their primary residence.

Pursuant to Government Code Section 64830(d)(1)(B), programs to enable 80 percent AMI or 120 percent AMI households to become or remain homeowners, including, but not limited to, below market rate ownership programs, down payment assistance programs, residential rehabilitation loan programs, and grants or loans to assist in the rehabilitation or replacement of existing mobile homes or manufactured homes are eligible uses of PPO-Flexible funds.

For programs that enable 80 percent AMI or 120 percent AMI households to become homeowners, Eligible Jurisdictions shall record a restrictive covenant on each homeownership unit. Either a resale or a recapture provision shall be used within the restrictive covenant to promote long-term affordability. The Eligible Jurisdiction may use either a resale provision or a recapture provision, but not both. If an Eligible Jurisdiction uses an alternative approach to expand or deepen affordability through homeownership activities, they may submit a waiver request to LACAHSAs to utilize that approach.

When establishing a restrictive covenant, Eligible Jurisdictions are encouraged to explore existing models within the region that balance long-term affordability with homeowner equity such as the CalHome program.

If the Eligible Jurisdiction uses resale restrictions, the resale requirements must ensure that during the affordability period (a number of years determined by the Eligible Jurisdiction), the housing is subsequently purchased only by a buyer who earns less than 120 percent of AMI, and who will use the property as their principal residence. The resale requirement must also ensure that the price at resale provides the original homebuyer a fair return on investment (including the homeowner's investment and any capital improvement) and ensures that the housing will remain affordable to a reasonable range of buyers earning less than 120 percent of AMI.

If the Eligible Jurisdiction uses recapture restrictions, the recapture requirements must ensure that the Eligible Jurisdiction recoups all or a portion of the Measure A assistance to the homebuyers if the housing is sold during the affordability period (a number of years determined by the Eligible Jurisdiction). The recapture requirement is triggered by the sale (voluntary or involuntary) of the housing unit. The amount recaptured by the Eligible Jurisdiction cannot exceed the net proceeds from the sale, if any. The net proceeds are the sales price minus superior loan repayment (other than Measure A funds) and any closing costs. Recapture provisions may permit the subsequent homebuyer to assume Measure A assistance (subject to the recapture requirements) if the subsequent homebuyer earns less than 120 percent of AMI. Eligible Jurisdictions are encouraged to structure recapture provisions based on their own program design and local market conditions. Some common options include:

1. Recapturing the entire amount of direct Measure A assistance to the original homebuyer, with or without interest.
2. Reducing the amount of direct Measure A assistance to the original homebuyer that will be recaptured on a pro-rata basis for the time the original homebuyer has owned and occupied the housing measured against the duration of the Eligible Jurisdiction's affordability period.
3. Sharing the net proceeds after the homeowner recovers their downpayment and any capital improvement investments made since the purchase. Such provisions must clearly specify the methodology used to calculate the equity sharing formula. The net proceeds are the sales price minus loan repayment (other than Measure A funds) and closing costs.

iii. Prevailing Wage and Project Labor Agreements

To encourage the development of local job opportunities and career pathways into the building and construction trades, including but not limited to apprenticeship and pre-apprenticeship programs, and consistent with Measure A Section 28B and SB 679 Section 64720.5(a), PPO projects involving construction or rehabilitation constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the Labor Code. Construction or rehabilitation contracts and subcontracts must include provisions requiring the payment of prevailing wages. As established by the enabling legislation, prevailing wage applies to all PPO activities involving construction or rehabilitation including homeownership activities. If a project does not involve construction or rehabilitation, but only involves an activity such as downpayment assistance or rent/operating subsidy, prevailing wage does not apply.

Additionally, Measure A Section 28C and SB 679 Section 64720.5(b) require projects in buildings with 40 units or more to comply with the [City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030](#) if the project is within the City of Los Angeles, or the [Countywide Community Workforce Agreement executed by the Chief Executive Officer on June 7, 2023](#) or any successor to either agreement. Construction or rehabilitation contracts for projects with 40 units or more must include provisions requiring compliance with the applicable Project Labor Agreement based on the location of the project.

At a minimum, 80 percent of all units produced by an Eligible Jurisdiction must meet the applicable Project Labor Agreement requirements, consistent with the time period required for the funding to be expended.

iv. Relocation and Unit Replacement

If demolition or rehabilitation of housing units is required as part of any PPO investment, relocation and unit replacement requirements apply.

Relocation

If existing residents are required to be relocated due to demolition or rehabilitation needs, the developer is required to provide relocation benefits to the occupants of those housing rental units subject to Government Code Chapter 16 (commencing with Section 7260) of Division 7 of Title 1. The developer shall comply with State and local government requirements for relocation assistance to displaced households.

If existing occupants who are lower income households are required to vacate their units due to demolition or rehabilitation needs, the developer shall provide a right of first refusal for a comparable unit available in the new or rehabilitated housing development that is affordable to the household at an affordable rent, as defined in Health and Safety Code

Section 50053, or an affordable housing cost, as defined in Health and Safety Code Section 50052.5.

Unit Replacement

Any funded development or affordable housing grant on any property that includes a parcel or parcels that currently have residential uses, or within the five years preceding the grant have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low- or very low-income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low- or very low-income households, shall be subject to a policy requiring the replacement of all those units to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy.

Replacement requirements shall be consistent with those set forth in paragraph (3) of subdivision (c) of Government Code Section 65915, provided that any dwelling unit that is or was, within the five-year period preceding the grant, subject to a form of rent or price control through a local government's valid exercise of its police power and that is or was occupied by persons or families above lower income shall be replaced with units made available at affordable rent or affordable housing cost to, and occupied by, low-income persons or families.

b. Approved Eligible Uses of Funding – PPO Products

i. Direct Project Investments

LACAHSAs and Eligible Jurisdictions may use direct project investments to address financing gaps for affordable new construction and preservation projects. Examples of direct project investments include grants, loans, equity, interest rate subsidies, or other appropriate financing tools. Eligible Jurisdictions may determine the appropriate amount of project subsidy and the most advantageous financing tool based on the unique needs of the project. Eligible Jurisdictions are encouraged to use this dedicated funding with streamlined processes to move the backlog of entitled affordable housing deals in need of gap financing to the closing table, and to implement additional projects to realize production goals quickly. LACAHSAs expect that Eligible Jurisdictions will make best efforts to align NOFA timelines, underwriting guidelines, award processes, and construction closing with other primary sources of funding (County, State, Federal) to promote efficiency and timeliness.

Direct project investments may include the rehabilitation of existing units or the development of Accessory Dwelling Units or similar developments to existing housing units under the PPO-Flex category.

ii. Rent & Operating Subsidies

To encourage deep affordability targeting and creation of permanent supportive housing units, among other purposes, operating subsidies are an eligible use of PPO funds to provide ongoing, annual payments to address expenses such as utilities, maintenance, taxes, management, as well as debt service payments.

Assisted units receiving an operating subsidy or Capital Operating Subsidy Reserve may only be occupied by households at or below 80 percent of AMI. Assisted units in a master leasing program OR receiving rental assistance through a shallow subsidy or project-based rental assistance program may only be occupied by extremely low-income households.

As part of a rent subsidy program, the Eligible Jurisdiction may request a waiver from LACAHSAs to authorize the provision of LACAHSAs funded reasonable housing stabilization services for any extremely low-income household for the duration of LACAHSAs-funded assistance.

If through the course of time a household's income exceeds 30 percent for rent subsidy or 80 percent for operating subsidy, the household can no longer be assisted with rent or operating subsidy respectively. However, in accordance with the enabling legislation the household cannot be evicted. Eligible Jurisdictions may structure rent or operating subsidy activities to allow for assistance to float to another unit if a unit is no longer income qualified.

New Construction

Rent and operating subsidies can be provided to a new construction property for up to 20 years, with renewable terms allowed so long as that property has established affordability covenants as defined in Section 4.b.ii of these Guidelines and the property passes annual habitability inspections.

Existing Properties

Rent or operating subsidies can be provided to existing properties for up to 20 years under PPO-Flexible based on the existing or new affordability covenants placed on the property. Such projects must receive LACAHSAs technical assistance and approval prior to obligation.

Types of rental and operating subsidies include the following eligible activities described below.

Rental Assistance & Operating Subsidy

Eligible Jurisdictions may utilize funding from the Flexible Production, Preservation and Ownership (PPO-Flexible) pool to provide rental assistance to extremely low-income households. Rental assistance may be used in conjunction with additional activities funded with Measure A resources or as a stand-alone activity. Operating subsidy or Capital Operating Subsidy Reserve activities may assist units occupied by households at or below 80 percent AMI.

Master Leasing

Master leasing is a housing strategy where an organization (such as a nonprofit or government agency) becomes the primary tenant by leasing homes within a building or an entire building from the owner. The master lessor then subleases these spaces to individuals who might otherwise face barriers to housing. Master leasing is eligible within the Flexible category of PPO activities as long as it is tied to the extension or deepening of affordability in the master leased units.

Any master lease agreement must contain an option for purchase by the Eligible Jurisdiction or LACAHSAs unless otherwise waived by LACAHSAs.

Standalone rental assistance, operating subsidy, or Master Leasing assistance must be tied to the extension or deepening of affordability in the assisted units. This may include an extended affordability period for assisted units at the conclusion of the rent or operating subsidy. At a minimum, the affordability period must be extended by at least 5 years.

iii. LACAHSAs Mortgage

The LACAHSAs Mortgage is intended to reduce costs and development finance timelines, develop an avenue to finance affordable housing without tax credits, and deploy Measure A revenue quickly. Eligible Jurisdictions are encouraged to engage LACAHSAs technical assistance early in the process if use of the LACAHSAs Mortgage tool, or partnership with LACAHSAs on the use of the tool, is contemplated for a project.

LACAHSAs has the ability to incur debt and issue bonds and otherwise incur liabilities or obligations in accordance with Government Code 64720(d). The LACAHSAs Mortgage is a financing tool to raise lower-cost capital through the bond market and provide tax-exempt debt financing for 100 percent affordable and mixed-income projects. There are two complementary financing tools that could be utilized to create this product, though these tools may also be used individually or in combination with other financing tools: A-Notes and B-Notes with Guarantee.

A-Notes constitute senior, construction to permanent debt with mandatory fixed monthly payments (hard-pay). The A-Note conforms to typical first mortgages for construction or permanent loans in structure with higher leverage and lower-cost due to its tax-exempt status.

B-Notes with Guarantee are subordinate, typically second position, construction to permanent residual receipts loans with a guarantee from LACAHSAs for payment of the interest that increases the ability to sell the bond to third-party investors at a low interest rate. The guarantee is a commitment that the lender will cover the difference between the payments made by the project and the coupon of the B-Note. It can take many forms such as an operating deficit reserve or a contingent loan.

In either case, Eligible Jurisdictions must work with bond counsel to ensure that projects qualify for tax-exempt bond financing and determine if the tax-exempt bond financing is exempt from the California volume cap for private-activity bonds. LACAHSAs Mortgage funding may be awarded to developers throughout the county.

The creation and implementation of a LACAHSAs mortgage program or a similar eligible activity may be carried out by LACAHSAs directly or by an Eligible Jurisdiction.

Prior to utilization, the LACAHSAs Mortgage will be reviewed and approved by the Investment Review Committee.

iv. Impact Fund

Impact funds offer below-market financial terms and greater flexibility than typical financing, by raising impact-driven investments that serve as first-loss capital. A public entity seeds a new impact fund by attracting mission-driven capital sources including philanthropy (such as through program-related investments, impact investors, and Community Reinvestment Act motivated funding). The fund may be held by a qualified Community Development Financial Institution, jurisdiction or municipality, or other financial institution pursuant to an agreement between the Eligible Jurisdiction specifying the parameters for investment and use of the fund. The focus of the impact fund will be on preserving existing subsidized affordable housing, acquiring and preserving Naturally Occurring Affordable Housing, and increasing homeownership opportunities. Eligible Jurisdictions may elect to participate in the impact fund through investment of first-loss capital or provision of predevelopment loans, residual receipts loans, or short-term financing to bridge the gap in time between a construction loan and a permanent loan for awarded projects.

v. Community Land Trusts

Grants, loans, or other financing provided to Community Land Trusts (CLT) and other similarly structured nonprofit entities to acquire, rehabilitate, and preserve existing housing units are an eligible use of PPO funds not otherwise reserved for construction of new affordable housing. Investment of Measure A PPO-Flexible funds in projects owned by Community Land Trusts that permanently own the land insulates those housing units from economic pressures of market appreciation by separating land ownership from home ownership and effectively reducing the initial purchase price of homes within the Community Land Trust. Long term renewable ground leases and legally binding resale restrictions capping the resale price of the home ensure that Community Land Trust units remain affordable for future homebuyers.

Community Land Trusts offer a pathway to homeownership and wealth building for low- and moderate-income families, reducing the risks of foreclosure and providing greater housing stability compared to the private market. By preserving affordable housing options and preventing displacement in neighborhoods experiencing rising property values and gentrification pressures, Community Land Trusts contribute to more diverse and inclusive communities.

Eligible Jurisdictions can facilitate the mission of Community Land Trusts by providing funds for land acquisition, rehabilitation, and new construction, and offering technical assistance to support Community Land Trust formation and expansion. Eligible Jurisdictions should work closely with the Community Land Trust to ensure it has adequate capacity to manage and operate the program.

vi. Social Housing

Social housing initiatives may be implemented by nonprofits, Community Land Trusts, or public agencies, ensuring a mission-driven approach to development and property management. A key component of social housing initiatives is the meaningful participation of residents in decision-making and governance, fostering a sense of agency and community. Where feasible and desirable, opportunities for resident ownership are also encouraged to further empower tenants. Social housing initiatives can either be new construction or preservation activities.

Projects that include units serving homeowner households earning up to 120 percent of AMI are encouraged as part of social housing activities. Social housing rental activities are limited to serving units designated up to 80 percent of AMI that are not already income restricted due to development incentives, density bonuses, or similar programs.

A wide range of approaches to the social housing concept are possible, including but not limited to new construction, preservation, and the preservation of small Naturally Occurring Affordable Housing (NOAH). Social housing initiatives offer flexibility to address diverse community needs. For example, an organization implementing Social Housing and NOAH could implement an acquisition and rehabilitation program to take units from the private market, impose an affordability covenant, and thereby increase the amount of income-restricted affordable housing, especially in neighborhoods with a high risk of gentrification or displacement. Project types could range from existing multi-family buildings of 2-20 units, inclusive of any units to be added such as Accessory Dwelling Units (ADU), or mobile home parks of any size. Upon completion, all units would be covered under a restrictive covenant as affordable, with no existing residents being displaced.

Entities engaging in NOAH could include public entities, housing authorities, Community Land Trusts, Limited Equity Housing Cooperatives, and nonprofit housing entities. NOAH programs may be supported through technical assistance for site identification, including establishing and maintaining a centralized, real-time database of at-risk properties.

Beyond increasing the number of income-restricted affordable housing units, social housing concepts and NOAH provide pathways for resident-run housing, including conversion to ownership structures such as cooperatives, Limited Equity Housing Cooperatives, redevelopment of public housing sites, and tenancy in common, helping families remain in their communities and helping seniors age in place where they have roots.

vii. Ownership Products

Programs to enable low- or moderate-income households to become or remain homeowners, including, but not limited to, below market rate ownership programs, down payment assistance programs, residential rehabilitation loan programs, and grants or loans to assist in the acquisition, rehabilitation, or replacement of existing mobile homes located in a mobile home or manufactured home park, are eligible uses of PPO funds not otherwise reserved for construction of new affordable housing. Ownership products include a variety of financing structures to improve the affordability of existing ownership opportunities or to increase the production or preservation of affordable homeownership opportunities.

There are a variety of ways Eligible Jurisdictions may offer financing to improve the affordability of existing ownership opportunities or to increase the production or preservation of affordable ownership opportunities. Some of these include:

- **Community Land Trust Investment:** Community Land Trust or a designated public entity retains ownership of the underlying land and allow owners to enter into leasehold mortgages whereby the owner only purchases the home. Investments in

Community Land Trusts may include, but are not limited to, loan products for households to purchase homes through a Community Land Trust, interest rate subsidies, or direct investments into the Community Land Trust organization.

- **Soft Second Mortgages:** Capital to reduce the upfront cost of homeownership through a permanent loan, forgivable over a specific period of time, for income-qualified households to cover a portion of the down payment and/or closing costs for a home.
- **Interest Rate Subsidy:** Capital to reduce the upfront cost of homeownership through a one-time payment to buy down the interest for the entire term of the mortgage.
- **New Affordable Homeownership Products:** Loans for the construction or preservation of existing affordable accessory dwelling units (ADUs), mobile homes or manufactured homes, or other affordable homeownership products.
- **Foreclosure Prevention Assistance:** Programs, services, or resources designed to help homeowners who are at risk of losing their homes due to missed mortgage payments. Foreclosure assistance may include, but is not limited to, loan modification, emergency financial aid, or temporary mortgage assistance.
- **Limited or Shared Equity Cooperatives Investment:** Limited Equity Cooperatives (LECs) and Shared Equity Cooperatives (SECs) provide opportunities for households to purchase a share of a development as opposed to an individual home. Price growth is restricted based on a formula for equity growth, and shares in the building can be resold at prices that ensure continued affordability and modest equity growth. Investments in LECs and SECs may include, but are not limited to, construction subsidies or low-interest financing through the provision of loan products for residents to own shares in a cooperative housing corporation.

c. Annual Budget

Eligible Jurisdictions must create an annual allocation budget for their PPO funding to be approved by the Eligible Jurisdiction's governing body by November 1, 2025, for the FY25-26 time period. For subsequent fiscal years, an annual budget for PPO will be expected to be in place by May 1 of the preceding fiscal year or 60 days after the release of the expected annual budget, whichever is later. This budget will be a component of the first quarter report.

If the Eligible Jurisdiction is requesting PPO funds to be advanced to them, funds shall be disbursed monthly, subject to availability.

During the course of the fiscal year, Eligible Jurisdictions may amend the annual budget based on changing needs and conditions. The revised budget shall be submitted to LACAHSAs as amended.

d. Documentation Standards

Eligible Jurisdictions should maintain appropriate documentation evidencing compliance with SB 679, Measure A, the MOU, and the requirements contained in these Guidelines. The guidance below represents the minimum documentation standards. Depending on the Eligible Jurisdiction’s unique project characteristics or program design, other documents not specified in this guidance may be appropriate; therefore, Eligible Jurisdictions are encouraged to retain all documentation related to Production, Preservation, and Ownership projects to support the reasonableness and eligibility of expenditures during LACAHSAs monitoring and audit reviews.

i. PPO New Construction

Requirement	Guidance	Eligible Jurisdiction File
Use of PPO Funds	Eligible Jurisdictions must maintain accounting records demonstrating that at least 77.25% of Measure A PPO Funds are used for construction of new affordable housing.	Documentation Required <ul style="list-style-type: none"> Accounting records
Applications for funding	The Eligible Jurisdiction’s application documents (as may vary from jurisdiction to jurisdiction).	Documentation Required <ul style="list-style-type: none"> Eligible Jurisdiction application documents (at a minimum the schedule of performance) Development sources and uses Cash flow projections
Eligible Jurisdiction’s Project Underwriting	The Eligible Jurisdiction’s project underwriting documents	Documentation Required <ul style="list-style-type: none"> Underwriting guidelines / lending standards Appraisals Construction cost estimates Subsidy layering review (as applicable) Cost allocation for mixed income projects Validation of other funding source firm commitments Evaluation of developer capacity

Requirement	Guidance	Eligible Jurisdiction File
Written Agreement	Written agreement containing appropriate grant or loan documents identifying the eligible project, passing down the SB 679 and Measure A requirements, and specifying the use of funds within the project budget.	Documentation Required <ul style="list-style-type: none"> • Copy of written agreement and grant/loan documents
Affordability Restriction	Restrictive covenant for at least 55 years containing at least the minimum unit mix and income targeting required pursuant to Government Code Section 64830(d)(1)(A)(ii).	Documentation Required <ul style="list-style-type: none"> • Copy of recorded restrictive covenant
Compliance with Prevailing Wage and Project Labor Agreement Requirements	A written certification of compliance with the Project Labor Agreement requirements of Measure A Section 28C and SB 679 Section 64720.5(b), which require projects with 40 units or more to comply with the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 if the project is within the City of Los Angeles, or the Countywide Community Workforce Agreement executed by the Chief Executive Officer on June 7, 2023 if the project is elsewhere, or any successor to either agreement. Construction or rehabilitation contracts for projects with 40 units or more must include provisions requiring compliance with the applicable Project Labor Agreement based on the location of the project.	<ul style="list-style-type: none"> • Developer’s certification of compliance with PLA requirements.

Requirement	Guidance	Eligible Jurisdiction File
Affordability Requirements	<p>Documentation of compliance with portfolio and project affordability requirements pursuant to 64830(d)(1)(A)(ii).</p>	<p>Documentation Required</p> <ul style="list-style-type: none"> • Copy of recorded restrictive covenants • To demonstrate compliance with the portfolio rule, a table or inventory of restricted units including restricted unit mix by income level that corresponds with recorded restrictive covenants • To demonstrate compliance with the project rule, a copy of the full unit mix showing all units and their respective AMI restrictions • Cost allocation documentation for projects that include units targeted up to 120 percent of AMI
Relocation Documents	<p>If demolition or rehabilitation of housing units is required as part of any PPO investment, relocation and unit replacement requirements apply. For projects that require residents to be relocated due to demolition or rehabilitation needs, the developer is required to provide relocation benefits.</p>	<p>Documentation Required</p> <ul style="list-style-type: none"> • Evidence of relocation pursuant to Gov. Code 7260-7277 • Calculation of relocation assistance and justification for assistance amount

Requirement	Guidance	Eligible Jurisdiction File
Unit Replacement	Parcels with current residential uses or those with residential uses within five years preceding the project that have been vacated or demolished, or that were subject to a recorded covenant, ordinance, or law that restricts rents to affordable levels to levels affordable to persons and families of low- or very low-income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low- or very low-income households, shall be subject to a policy requiring the replacement of all those units to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy.	Documentation Required <ul style="list-style-type: none"> • Documentation of prior use of parcels (e.g., were there any residential uses requiring replacement?) • Evidence of unit replacement pursuant to Gov. Code 65915(c)(3)
Long-Term Compliance	For projects leased up and in their affordability period, documentation of compliance with unit mix and rent requirements specified in the restrictive covenant.	Documentation Required <ul style="list-style-type: none"> • A copy of the full unit mix showing all units and their respective AMI restrictions • A copy of the rent roll • Tenant Income Certifications • Copies of residential leases

ii. PPO Preservation

Requirement	Guidance	Eligible Jurisdiction File
Applications for funding	The Eligible Jurisdiction’s application documents (as may vary from jurisdiction to jurisdiction).	Documentation Required <ul style="list-style-type: none"> • Eligible Jurisdiction application documents (at a minimum the schedule of performance) • Development sources and uses • Cash flow statements • Cash flow projections
Eligible Jurisdiction’s Project Underwriting	The Eligible Jurisdiction’s project underwriting documents	Documentation Required <ul style="list-style-type: none"> • Underwriting guidelines / lending standards • Construction cost estimates • Subsidy layering review (as applicable) • Cost allocation for mixed income projects • Validation of other funding source firm commitments • Evaluation of developer capacity
Written Agreement	Written agreement containing appropriate grant or loan documents identifying the eligible project, passing down the SB 679 and Measure A requirements, and specifying the use of funds within the project budget.	Documentation Required <ul style="list-style-type: none"> • Copy of written agreement and grant/loan documents
Affordability Restriction	Restrictive covenant for at least 55 years containing at least the minimum unit mix and income targeting required pursuant to Government Code Section 64830(d)(1)(A)(ii).	Documentation Required <ul style="list-style-type: none"> • Copy of recorded restrictive covenant

Requirement	Guidance	Eligible Jurisdiction File
<p>Affordability Requirements</p>	<p>Documentation of compliance with portfolio and project affordability requirements pursuant to 64830(d)(1)(A)(ii).</p>	<p>Documentation Required</p> <ul style="list-style-type: none"> • Copy of recorded restrictive covenants • To demonstrate compliance with the portfolio rule, a table or inventory of restricted units including restricted unit mix by income level that corresponds with recorded restrictive covenants • To demonstrate compliance with the project rule, a copy of the full unit mix showing all units and their respective AMI restrictions • Cost allocation documentation for projects that have units targeted up to 120 percent of AMI
<p>Relocation Documents</p>	<p>If demolition or rehabilitation of housing units is required as part of any PPO investment, relocation and unit replacement requirements apply. For projects that require residents to be relocated due to demolition or rehabilitation needs, the developer is required to provide relocation benefits.</p>	<p>Documentation Required</p> <ul style="list-style-type: none"> • Evidence of relocation pursuant to Gov. Code 7260-7277 • Calculation of relocation assistance and justification for assistance amount

Requirement	Guidance	Eligible Jurisdiction File
Unit Replacement	Parcels with current residential uses or those with residential uses within five years preceding the project have had residential uses that have been vacated or demolished, or that were subject to a recorded covenant, ordinance, or law that restricts rents to affordable levels to levels affordable to persons and families of low- or very low-income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low- or very low-income households, shall be subject to a policy requiring the replacement of all those units to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy.	Documentation Required <ul style="list-style-type: none"> • Documentation of prior use of parcels (e.g., were there any residential uses requiring replacement?) • Evidence of unit replacement pursuant to Gov. Code 65915(c)(3)
Long-Term Compliance	For projects leased up and in their affordability period, documentation of compliance with unit mix and rent requirements specified in the restrictive covenant.	Documentation Required <ul style="list-style-type: none"> • A copy of the full unit mix showing all units and their respective AMI restrictions • A copy of the rent roll • Tenant Income Certifications • Copies of residential leases

iii. PPO Ownership

Requirement	Guidance	Eligible Jurisdiction File
Ownership Program Guidelines	The Eligible Jurisdiction's program guidelines to provide assistance enabling low- or moderate-income households to become or remain homeowners.	Documentation Required <ul style="list-style-type: none"> • Program Guidelines • Underwriting / assistance calculation methodology

Requirement	Guidance	Eligible Jurisdiction File
Written Agreement	Written agreement containing appropriate grant or loan documents identifying the eligible project, passing down the SB 679 and Measure A requirements, and specifying the use of funds.	Documentation Required <ul style="list-style-type: none"> • Copy of written agreement and grant/loan documents
Eligible Jurisdiction's Application	The Eligible Jurisdiction's application documents (as may vary from jurisdiction to jurisdiction).	Documentation Required <ul style="list-style-type: none"> • Application documents • Income determination
Affordability Restriction	Restrictive covenant as established by Eligible Jurisdiction	Documentation Required <ul style="list-style-type: none"> • Copy of recorded restrictive covenant
Long-Term Compliance	Verification of compliance with restrictive covenant.	Documentation Required <ul style="list-style-type: none"> • Annual verification of ownership

5. Renter Protection & Homelessness Prevention (RPHP)

a. Overview

LCAHSA's Renter Protection and Homelessness Prevention (RPHP) activities aim to address housing instability, reduce evictions and displacement, and prevent people from falling into homelessness. In accordance with SB679, LCAHSA is required to use a minimum of 30 percent of annual funding for RPHP.

RPHP achieves this by providing a comprehensive combination of renter protection and homelessness prevention services within an integrated, accessible, countywide approach.

Eligible uses of RPHP funds include:

- Marketing, Assessment, Eligibility, and Referral;
- Legal Services and Renter Education;
- Emergency Rental and Flexible Financial Assistance;
- Temporary Rental Assistance; and
- Short-Term Income Support.

RPHP assistance is intended to be temporary, short-term, and delivered to individuals and families who are currently housed in order to prevent the loss of housing or to resolve a housing crisis in a timely manner. RPHP funds are not intended to provide supports or

services to people experiencing homelessness, nor to provide permanent housing assistance (longer than six months). Other Measure A funds are available to Eligible Jurisdictions to support homeless services and permanent affordable housing solutions, including funds administered by Los Angeles County Department of Homeless Services and Housing, Local Solutions Funds, and LACAHSAs PPO Flex funds.

i. LACAHSAs Integrated RPHP Service Model

An integrated approach for Los Angeles County is essential for maximizing the impact of resources, creating equitable access to services, ensuring effective outcomes in reducing homelessness, and to:

- Make access and services consistent for households across the region;
- Facilitate more efficient referrals and resource coordination;
- Target resources to households most likely to become homeless or experience housing instability without assistance;
- Promote regional alignment and reduce duplication; and
- Enable consistent data collection to support program evaluation and equity analyses.

To support this approach across the region, LACAHSAs will develop an RPHP Integrated Service Model, which will build on and enhance coordination between existing RPHP programs to deliver comprehensive RPHP services throughout Los Angeles County.

During FY 2025-26, LACAHSAs will lead a community wide planning process to design the Integrated Service Model in collaboration with Eligible Jurisdictions, community members, and stakeholders. Concurrent with the planning process, LACAHSAs will also conduct pilots to test approaches to the Integrated Service Model. The model will be finalized in Spring 2026 and the Integrated Service Model will go into effect in July 2026.

To support the participation of Eligible Jurisdictions in the planning process, during FY 2025-26, LACAHSAs will provide supplemental funds of up to 5 percent of an Eligible Jurisdiction's RPHP allocation to an Eligible Jurisdiction that participates in the planning process. To receive these funds, Eligible Jurisdictions must commit to active involvement in planning sessions and to conduct outreach and engagement with community members and stakeholders in their jurisdiction to ensure broad awareness of and participation in the process.

Eligible Jurisdictions may use their Technical Assistance funds to support participation in planning activities. Additionally, a portion of LACAHSAs Technical Assistance funds will be dedicated to support the development of the Integrated Service Model, including providing funding for planning, collaboration, evaluation, and infrastructure to enable integration and effective service delivery.

b. Program Requirements

i. Implementation

Eligible Jurisdictions have two choices for administering the RPHP funds allocated to them under LACAHSAs Annual Expenditure Plan:

LACAHSAs-Administered

Eligible Jurisdictions may elect to have LACAHSAs administer all or a portion of their RPHP allocation in partnership with that Eligible Jurisdiction. LACAHSAs will use those funds to ensure that eligible services are provided in the Eligible Jurisdiction's area, utilizing LACAHSAs Integrated Service Model when it is developed and implemented.

The details regarding LACAHSAs administration of an Eligible Jurisdiction's RPHP allocation will be determined case by case through a collaborative decision-making process between LACAHSAs and the Eligible Jurisdiction.

Self-Administration

Eligible Jurisdictions may administer all or a portion of their funding themselves, to directly carry out RPHP programs. This may include passing through their allocation to another Eligible Jurisdiction to administer on their behalf, subject to the applicable terms of the MOU.

Whether Eligible Jurisdictions choose LACAHSAs-administration, self-administration, or a combination, LACAHSAs program staff are available to all Eligible Jurisdictions for consultation and planning regarding the use of LACAHSAs funds, development of budgets and spending plans, programmatic technical assistance, and to foster cross-jurisdictional partnerships.

All programs funded with RPHP resources administered by the Eligible Jurisdiction must meet all the requirements contained in Measure A, SB 679, and these Program Guidelines. This may include the required use of any future data systems, shared tools, or processes developed for the Integrated Service Model and determined by LACAHSAs to promote an accessible and equitable RPHP countywide approach and accountability.

ii. Annual Budget

Eligible Jurisdictions must create an annual budget for their RPHP funding to be approved by the Eligible Jurisdiction's governing body by November 1, 2025, for the FY 2025-26 time period. For subsequent fiscal years, an annual budget for RPHP will be expected to be in place by May 1 of the preceding fiscal year or 60 days after the release of the expected annual budget, whichever is later. This budget will be a component of the first quarter report.

If the Eligible Jurisdiction is requesting RPHP funds to be advanced to them, funds shall be disbursed monthly, subject to availability.

During the course of the fiscal year, Eligible Jurisdictions may amend the annual budget based on changing needs and conditions. The revised budget shall be submitted to LACAHSAs as amended.

LACAHSAs program staff are available to all Eligible Jurisdictions for consultation and planning regarding the development of budgets and spending plans. Eligible Jurisdictions are encouraged to contact LACAHSAs staff as needed to support preparation of budget submissions.

iii. Definition of Eligible Renter and Prohibited Uses

RPHP provides renter protection and homelessness prevention services. Assistance is intended to be temporary, short-term, and delivered to individuals and families who are currently housed in order to prevent the loss of housing or to resolve temporary housing crises in a timely manner.

For the purposes of RPHP funding, an eligible renter household includes any household that is lower income¹ and currently resides in rental housing, whether with a written lease, verbal agreement, or other informal arrangement conferring rights of tenancy. It also includes households temporarily staying in another housing setting who do not have sufficient resources or support networks to maintain stable housing or to prevent housing loss and/or homelessness.

RPHP funds are not intended to provide support and services to people experiencing homelessness or to households that own a home or have a mortgage. Homeless services not eligible for RPHP funding are as follows: coordinated entry and access point services, outreach, intake, case management, housing navigation, safe parking, emergency shelter, congregate shelter, interim housing, transitional housing, rental subsidies greater than six months, or income support programs (e.g., Universal Basic Income (UBI) or Guaranteed Basic Income (GBI)), or other homeless-targeted programs serving an individual or family who lacks a fixed, regular, and adequate nighttime residence.

iv. Overarching Requirements

RPHP provides funding for five primary eligible uses, as defined in the LACAHSAs Annual Expenditure Plan. Eligible Jurisdictions are encouraged to offer an integrated and comprehensive combination of eligible activities:

1. Marketing, Assessment, Eligibility, and Referral
2. Legal Services and Renter Education

¹ Per [Section 50079.5](#) of the California Health and Safety Code.

3. Emergency Rental and Flexible Financial Assistance
4. Temporary Rental Assistance
5. Short-Term Income Support

Households may receive either Emergency Rental and Flexible Financial Assistance **OR** Temporary Rental Assistance, but cannot receive both during the same 24-month period of assistance. Households receiving Emergency Rental and Flexible Financial Assistance or Temporary Rental Assistance may also receive Short-Term Income Support, but assistance cannot be provided concurrently. Households may also receive Short-Term Income Support independently (i.e. without also having received Emergency Rental and Flexible Financial Assistance or Temporary Rental Assistance) based on the needs identified in the intake and assessment of the household.

All RPHP activities conducted by Eligible Jurisdictions must adhere to these Program Guidelines, including but not limited to:

- Utilization of required data systems, shared tools, or processes (once they are developed).
- Services must incorporate Marketing, Assessment, Eligibility, and Referral to ensure that all households are served consistently and equitably across the county.
- Eligible Jurisdictions must spend at least 20 percent of their allocation on Legal Services and at least 40 percent of their allocation on Emergency Rental and Flexible Financial Assistance.

v. Limits on Financial Assistance

Households may receive up to \$36,000 in combined financial assistance within a 24-month period. After reaching either the assistance limit of \$36,000 or time limit of 24 months, a household must wait at least 6 months before receiving additional assistance.

The period of assistance to a household begins on the first day any RPHP assistance payment is made, whether directly to a household or to a property owner or third-party vendor on the household's behalf. To ensure adequate and appropriate levels of assistance can be made available to as many households as possible, LCAHSA encourages Eligible Jurisdictions to customize the amount of assistance to households based on factors such as household size, income level, and ability to cover a portion of costs.

Expenditures of RPHP funds to provide housing-focused case management services or other staffing costs to provide financial assistance do not count towards the \$36,000 limit on combined financial assistance.

Financial assistance cannot be concurrently provided between two or more eligible activities at the same time. For example, a household receiving Emergency Rental and Flexible Financial Assistance from January to June (up to six months of rental assistance) cannot also be receiving Short-Term Income Support for the same period. If the Eligible Jurisdiction determines the household requires continued assistance in the form of Short-Term Income Support, that assistance could begin in July (when Emergency Rental and Flexible Financial Assistance concludes).

Eligible Jurisdictions are encouraged to work with households to determine the least amount of assistance necessary to resolve the housing crisis, allowing households to return for reassessment and/or additional assistance if the crisis is not resolved.

vi. Tax Implications of Financial Assistance for Participants

Eligible Jurisdictions operating financial assistance programs must have a clear understanding of what the income/benefits and tax implications are for their participants who receive financial assistance, must offer individual assessments for people regarding the potential impacts, and must make any potential consequences clear to participants prior to enrollment.

To support Eligible Jurisdictions in providing appropriate guidance, LACAHSAs will use LACAHSAs TA resources to provide a summary document highlighting potential tax and public benefit implications for RPHP participants. LACAHSAs will publish this document by the end of calendar year 2025.

vii. Minimum Expenditure Levels for Legal Services and Emergency Rental and Flexible Financial Assistance

Eligible Jurisdictions must spend at least 20 percent of their RPHP allocation on Legal Services (inclusive of eviction defense and other legal services) and at least 40 percent of their RPHP allocation on Emergency Rental and Flexible Financial Assistance (inclusive of financial assistance to households and staff costs to provide financial assistance). If an Eligible Jurisdiction has made a documented, commensurate investment in legal services or financial assistance, they may request a waiver from this requirement.

For example, if an Eligible Jurisdiction has an RPHP allocation of \$1,000,000, the expenditure levels would be:

Category	Amount
Legal Services	\$200,000 (Minimum 20%)

	<i>This includes the jurisdiction's allocation of Activity Delivery Costs (up to 25% of total Legal Services allocation)</i>
Emergency Rental and Flexible Financial Assistance	\$400,000 (Minimum 40%) <i>This includes the jurisdiction's allocation of Activity Delivery Costs (up to 25% of total Emergency Rental and Flexible Financial Assistance allocation)</i>
Jurisdictional Discretion (may consist of any of the eligible categories)	\$275,000 <i>This includes the jurisdiction's allocation of Activity Delivery Costs (up to 25% of total funds allocated to each eligible activity)</i>
Administration (12.5%)	\$125,000
Jurisdiction Award	\$1,000,000

viii. Reporting Requirements

SB 679 and Measure A have requirements for data collection and reporting. Data must be collected related to risk of homelessness and reductions in homelessness, displacement and displacement risk, rents, and evictions in the region. Annual aggregate reporting on households served and expenditures will be required, including, but not limited to:

- Household composition and demographics
- Eligibility including income, housing status, and qualifying event(s)/crisis(es)
- Prioritization factors
- Expenditure categories, payees, and amounts
- Time in program
- Destination at end of program

To ensure consistent tracking and oversight across the region, LACAHSAs will identify or develop a database and/or shared data collection methods that all Eligible Jurisdictions will be required to use for collecting and reporting household-level program data once the database and/or shared data collection methods are available. LACAHSAs will work to ensure that any database and/or shared data collection methods align and/or integrate with existing

tools utilized by Eligible Jurisdictions and protect Personally Identifiable Information (PII) of all participants. If an Eligible Jurisdiction wishes to use an alternative database and/or data collection method, they must first obtain prior approval from LACAHSAs.

The database and/or shared data collection methods will also support a Duplication of Benefits check, helping to ensure that households do not receive overlapping or redundant assistance. For purposes of Measure A funding, Duplication of Benefits refers to any household that receives Measure A funding from multiple sources for the same time period OR receives Measure A funding from multiple sources that results in the household exceeding the time period and financial limits set forth in these Guidelines.

Programmatic reporting for RPHP activities shall be submitted on a regular basis as part of the overall reporting requirement. To ensure that reporting is not duplicative of existing requirements, reporting to LACAHSAs will be aligned, to the maximum extent feasible, with existing reporting requirements.

ix. Marketing, Assessment, Eligibility and Referral

Eligible Jurisdictions can choose to deliver any combination of eligible activities; however, all programs are expected to include Marketing, Assessment, Eligibility, and Referral services. These required services should be accessible and low-barrier for households seeking assistance and should connect households to the most effective services for their needs in a timely manner.

Eligible Jurisdictions are encouraged to use a standard access, assessment, eligibility and referral method for all services (Legal Services, Emergency Rental and Flexible Financial Assistance, Temporary Rental Assistance, and Short-Term Income Support) in order to ensure that households are assessed and prioritized equitably, have access to any service or combination of services for which they qualify, and receive the appropriate services that offer the most successful housing stability outcome. Eligible Jurisdictions are also encouraged to work with households to determine the least amount of assistance necessary to resolve the housing crisis, allowing households to return for reassessment and/or additional assistance if the crisis is not resolved.

Eligible Jurisdictions are required to assess household needs and target services to those most at risk of eviction or homelessness. Assessment and targeting tools and processes should consider populations who have higher risk factors, which may include formerly homeless individuals, older adults, people with disabilities, families with minor children that are not yet school-age, families where the head of household is young, undocumented individuals, people living in impacted zip codes, and those on fixed-incomes.

Upon implementation of the Integrated Service Model, LACAHSAs will provide standardized assessment and targeting tools and processes for use by all Eligible Jurisdictions. Use of alternative tools or processes prior to and following implementation of the Integrated Service Model requires approval from LACAHSAs.

x. Grievance and Appeals

Participating and eligible households have the right to grieve any service that they believe was not properly delivered and to appeal any decision resulting in a denial or limitation of service. Eligible Jurisdictions that do not participate in LACAHSAs's Integrated Service Model when it is implemented will be required to develop their own process. Grievance and appeals processes should be as accessible and supportive as possible, which may include: accounting for the fear and barriers that households may experience when reporting harm or unfair treatment; making the process available in multiple languages; offering the option to have an advocate present at any interview or hearing; and offering the option to file anonymously, through an advocate, or via a third-party system.

c. Approved Eligible Uses of Funding

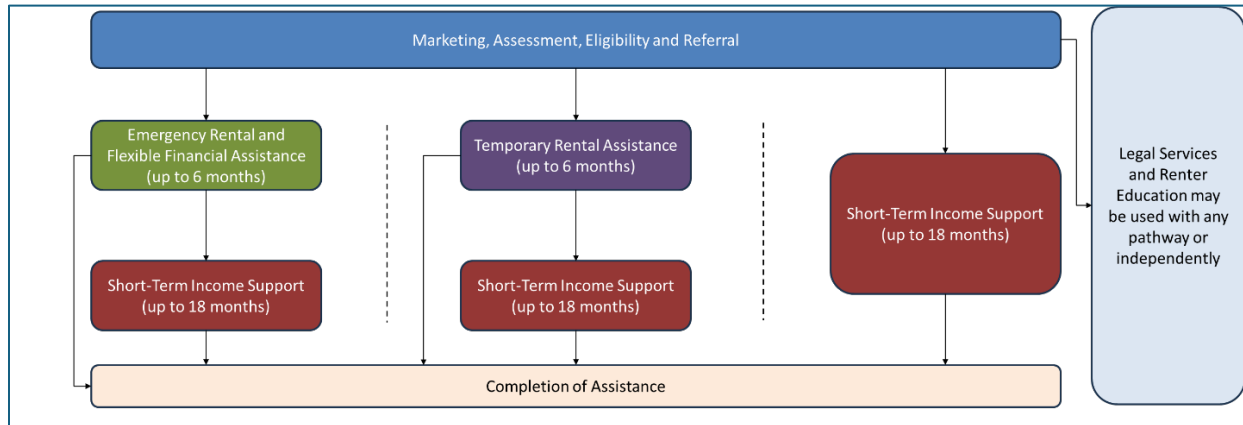
LACAHSAs's Annual Expenditure Plan identifies Board-approved eligible uses for RPHP funds. This section outlines the eligible uses and requirements regarding household eligibility criteria and the duration and amount of assistance.

Eligible Jurisdictions are encouraged to offer a comprehensive combination of activities allowable within the eligible uses in order to offer flexibility and choice to households seeking assistance. Eligible Jurisdictions may choose to deliver any combination of eligible activities; however, all programs are expected to include Marketing, Assessment, Eligibility, and Referral services.

For each eligible activity, LACAHSAs and Eligible Jurisdictions may provide services directly, through partnerships with contracted service providers, and in partnership with LACAHSAs and other Eligible Jurisdictions on countywide or regional initiatives.

As needed, inquiries regarding additional eligible uses for RPHP funding may be raised to the LACAHSAs's Chief Programs Officer for assistance and consideration.

The pathways of assistance are summarized in the chart below:



i. Marketing, Assessment, Eligibility, and Referral

Marketing, Assessment, Eligibility, and Referral identifies households at risk of losing their housing, assesses their needs, determines their eligibility for assistance, and connects them directly with RPHP resources and support to avoid homelessness.

<p>Eligible Activities</p>	<p><u>Marketing</u> – Marketing involves efforts to ensure that the target population for services is aware of the services and able to apply for and access them at the appropriate time. Marketing may include outreach, advertising, attending community events, visiting sites where low-income households facing a housing crisis may be found, and other efforts to ensure that the services are well publicized. LACAHSAs encourage marketing efforts to include affirmative outreach strategies for specific vulnerable and historically excluded subpopulations including, but not limited to, transition-aged youth, families with young children, older adults, limited English proficiency populations, and people with disabilities.</p> <p><u>Assessment</u> – Assessment involves gathering applications from potential participants, assessing their likely eligibility, and prioritizing among applicants to determine the order and level at which eligible households are offered assistance based on level of need or vulnerability. Assessment activities include establishing and operating application and assessment mechanisms, such as electronic portals for receiving and reviewing applications, assessment and prioritization tools, and providing assistance to potentially eligible households to gather documents and apply for assistance.</p>
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	<p><u>Eligibility</u> – Eligibility determination is the process of reviewing an application and assessment, confirming priority, establishing eligibility for support, and enrolling a household. Eligibility determination may include meeting with potential participants and/or reviewing documents to verify eligibility for assistance, assisting households to gather additional needed documents to prove eligibility and document payment needs, and enrolling households in the program.</p> <p><u>Referral</u> – Referral is the process of connecting eligible households to RPHP resources and services for which they are eligible, and which will help them to maintain their housing and to avoid eviction or homelessness.</p> <p>Activities related to ongoing housing-focused case management are included as eligible activities under the uses outlined below.</p>
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ii. Legal Services and Renter Education

Legal Services and Renter Education offers legal representation, advocacy, outreach, and education to households at risk of losing their housing.

Eligible Activities	<p>Eligible Legal Services and Renter Education activities include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Renter outreach and education • Evaluation of underlying issues affecting the client’s legal situation • Holistic legal representation and advocacy for issues that directly impact a household’s ability to remain housed: <ul style="list-style-type: none"> ○ Housing issues such as pre-leasing, obtaining vital documents, reasonable accommodations, habitability, pre-eviction and eviction defense ○ Clearing evictions, tickets, warrants, or criminal records ○ Application for or appealing the denial of public benefits ○ Other housing-related legal issues such as domestic violence, consumer finance, immigration, and issues affecting family composition (divorce, child support, restraining orders, health concerns) • Mediation Services, including negotiating payment plans • Pre-eviction and eviction defense services • Right-to-counsel legal services
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	<ul style="list-style-type: none"> • Limited payments associated with court appearances (e.g. court filing fees) <p>Emergency Rental and Flexible Financial Assistance, Temporary Rental Assistance, and Short-Term Income Support are not eligible expenses under Legal Services and Renter Education. Eligible Jurisdictions are strongly encouraged to pair rental and financial assistance with Legal Services and Renter Education services.</p> <p>Eligible Jurisdictions may also use Legal Services and Renter Education funds to provide housing-focused case management services to support housing stability for households receiving Legal Services and Renter Education. Eligible Jurisdictions that provide multiple types of assistance are encouraged to use the same case management staff across all categories of assistance, rather than staff case management separately for each type of assistance program. Eligible housing-focused case management services may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Ongoing assessment and housing stability support • Preparation of a housing stability plan • Support with accessing legal services and/or financial assistance, including completing assistance requests and following up on receipt of assistance and outcomes for households • Providing information and referrals to community resources, and support with accessing County programs and other mainstream benefits and services offered by partner agencies
Household Eligibility Criteria	<p>To be eligible to receive Legal Services and Renter Education assistance, a person/household must meet the following criteria:</p> <ul style="list-style-type: none"> • Live in Los Angeles County; and • Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI; as described in Documentation Standards section, renter outreach and education does not require individual household income verification); • Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”); and

	<ul style="list-style-type: none"> • Have experienced an emergency, crisis, or unexpected event within the previous 12 months that puts the household at risk of losing their housing, such as: <ul style="list-style-type: none"> ○ Action of landlord or property management ○ Unlawful detainer (eviction lawsuit) ○ Threat of displacement or housing instability ○ Loss of income ○ Loss or delay of public income benefits ○ Medical emergency ○ Change of household (birth, death, loss of income earner) ○ Natural disaster ○ Sudden increase in critical expenses ○ Other emergency that threatens housing stability
Duration and Amount of Assistance	Not applicable

iii. Emergency Rental and Flexible Financial Assistance

Emergency Rental and Flexible Financial Assistance provides financial assistance for a variety of housing-related expenses to support the stabilization of households experiencing an immediate housing crisis and at risk of losing their housing.

Eligible Activities	<p>Eligible Emergency Rental and Flexible Financial Assistance expenses include the following:</p> <ul style="list-style-type: none"> • Security Deposits and Other Required Deposits • Rental Assistance (up to 6 months) • Rental Arrears (no time limit for how far back arrears can be paid) • Utility Deposits • Utility Assistance • Utility Arrears • Move-in Expenses • Essential Furniture and Cleaning • Moving Expenses • Relocation Expenses (to cover costs beyond what is legally required of property owners according to local or state law)
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- Housing Stability Expenses:
 - Document Fees
 - Employment-Related Expenses
 - Transportation-Related Expenses, including vehicle repairs, public transportation costs, and rideshare service costs
 - Healthcare Costs, including medical bills
 - Food
 - Dependent Care
 - Short-Term Vocational Training

Households currently enrolled or exiting a permanent or time limited subsidy program such as rapid rehousing, shallow subsidies, or other TLS, including Temporary Rental Assistance programs funded by RPHP, are not eligible for Emergency Rental and Flexible Financial Assistance.

The only exception to this requirement is if a household is enrolled in an income-based subsidy program (such as Housing Choice Voucher or Permanent Supportive Housing). These households may receive financial assistance for rental arrears. Staff supporting households with Emergency Rental and Flexible Financial Assistance should make every effort to engage public housing authorities, landlords, property management, utility companies, and other vendors to establish appropriate rent or payment adjustments and reasonable payment plans.

Eligible Jurisdictions may also use Emergency Rental and Flexible Financial Assistance funds to provide housing-focused case management services to support housing stability for households receiving Emergency Rental and Flexible Financial Assistance, for the full duration of their assistance period (i.e. up to 24 months from the first financial assistance payment). Eligible Jurisdictions that provide multiple types of financial assistance are encouraged to use the same case management staff across all categories of assistance, rather than staff case management separately for each type of assistance program. Eligible housing-focused case management services may include, but are not limited to, the following:

- Ongoing assessment and housing stability support
- Preparation of a housing stability plan

	<ul style="list-style-type: none"> • Support with accessing financial assistance, including completing financial assistance requests and following up on receipt of assistance and outcomes for households • Providing information and referrals to community resources, and support with accessing County programs and other mainstream benefits and services offered by partner agencies
<p>Household Eligibility Criteria</p>	<p>To be eligible to receive Emergency Rental and Flexible Financial Assistance, a person/household must meet the following criteria:</p> <ul style="list-style-type: none"> • Live in Los Angeles County; and • Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI); • Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”); and • Have experienced an emergency, crisis, or unexpected event within the previous 12 months that puts the household at risk of losing their housing, such as: <ul style="list-style-type: none"> ○ Action of landlord or property management ○ Unlawful detainer (eviction lawsuit) ○ Threat of displacement or housing instability ○ Loss of income ○ Loss or delay of public income benefits ○ Medical emergency ○ Change of household (birth, death, loss of income earner) ○ Natural disaster ○ Sudden increase in critical expenses ○ Other emergency that threatens housing stability

<p>Duration and Amount of Assistance</p>	<p>Households may receive up to 6 months of Emergency Rental and Flexible Financial Assistance. Total financial assistance to a person/household must not exceed \$36,000 from any combination of eligible financial assistance activities within a 24-month period. After reaching either the assistance limit of \$36,000 or time limit of 24 months, a household must wait at least 6 months before receiving additional assistance.</p> <p>Households are not eligible for Emergency Rental and Flexible Financial Assistance if they are already receiving Temporary Rental Assistance.</p> <p>Emergency Rental and Flexible Financial Assistance payments can only be authorized for one month at a time (excluding arrears payments) to ensure that households continue to reside in the assisted housing unit.</p>
<p>Prioritization</p>	<p>To support the equitable and effective provision of Emergency Rental and Flexible Financial Assistance, Eligible Jurisdictions are required to assess household needs and target assistance to those most at risk of eviction or homelessness.</p>

iv. Temporary Rental Assistance

Temporary Rental Assistance provides rental assistance for households at risk of losing their housing OR who have a housing crisis which the household cannot resolve independently.

<p>Eligible Activities</p>	<p>Eligible Temporary Rental Assistance expenses include the following:</p> <ul style="list-style-type: none"> • Rental Assistance (up to 6 months) • Utility Assistance (up to 6 months) <p>For households that require security deposit or move-in assistance, the program is encouraged to leverage other resources. such as the County HAP program.</p> <p>Temporary Rental Assistance can be used to provide step-down assistance to households exiting time-limited or permanent subsidy programs.</p> <p>Eligible Jurisdictions may also use Temporary Rental Assistance funds to provide housing-focused case management services to support housing stability for households receiving Temporary Rental Assistance, for the full duration of their assistance period (i.e. up to 24 months from the first</p>
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	<p>financial assistance payment). Eligible Jurisdictions that provide multiple types of financial assistance are encouraged to use the same case management staff across all categories of assistance, rather than staff case management separately for each type of assistance program. Eligible housing-focused case management services may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Ongoing assessment and housing stability support • Preparation of a housing stability plan • Support with accessing financial assistance, including completing financial assistance requests and following up on receipt of assistance and outcomes for households • Providing information and referrals to community resources, and support with accessing County programs and other mainstream benefits and services offered by partner agencies <p>Case management assistance cannot be used to provide housing navigation or housing search services.</p>
<p>Household Eligibility Criteria</p>	<p>To be eligible for Temporary Rental Assistance, a household must:</p> <ul style="list-style-type: none"> • Live in Los Angeles County; and • Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI); and • Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”) or have a rental unit identified; and • Have a documented housing crisis which the household cannot resolve without Temporary Rental Assistance.
<p>Duration and Amount of Assistance</p>	<p>Households may receive up to 6 months of Temporary Rental Assistance. Total financial assistance to a person/household must not exceed \$36,000 from any combination of eligible financial assistance activities within an 24-month period. After reaching either the assistance limit of \$36,000 or time limit of 24 months, a household must wait at least 6 months before receiving additional assistance.</p> <p>Households are not eligible for Temporary Rental Assistance if they are already receiving Emergency Rental and Flexible Financial Assistance.</p>

	Temporary Rental Assistance payments can only be authorized for one month at a time to ensure that households continue to reside in the assisted housing unit.
Prioritization	To support the equitable and effective provision of Temporary Rental Assistance, Eligible Jurisdictions are required to assess household needs and target assistance to those most at risk of eviction or homelessness.

v. Short-Term Income Support

Short-Term Income Support involves providing direct income assistance for households at risk of losing their housing.

Eligible Activities	<p>Short-Term Income Support payments are made directly to eligible households.</p> <p>Short-Term Income Support provides financial assistance to help eligible households meet their basic needs during temporary periods of financial instability.</p> <p>Eligible Jurisdictions may also use Short-Term Income Support funds to provide housing-focused case management services to support housing stability for households receiving Short-Term Income Support, for the full duration of their assistance period (i.e. up to 18 months from the first financial assistance payment). Eligible Jurisdictions that provide multiple types of financial assistance are encouraged to use the same case management staff across all categories of assistance, rather than staff case management separately for each type of assistance program. Eligible housing-focused case management services may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Ongoing assessment and housing stability support • Preparation of a housing stability plan • Support with accessing financial assistance, including completing financial assistance requests and following up on receipt of assistance and outcomes for households • Providing information and referrals to community resources, and support with accessing County programs and other mainstream benefits and services offered by partner agencies.
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	Case management assistance cannot be used to provide housing navigation or housing search services.
Household Eligibility Criteria	<p>To be eligible for Short-Term Income Support, a household must:</p> <ul style="list-style-type: none"> • Live in Los Angeles County; and • Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI); and • Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”) or have a rental unit identified; and • Have a documented housing crisis which the household cannot resolve without Short-Term Income Support.
Duration and Amount of Assistance	<p>Households may receive up to 18 months of Short-Term Income Support. Total financial assistance to a person/household must not exceed \$36,000 from any combination of eligible financial assistance activities within a 24-month period. After reaching either the assistance limit of \$36,000 or time limit of 24 months, a household must wait at least 6 months before receiving additional assistance.</p> <p>Monthly Short-Term Income Assistance to a household cannot exceed \$2,000 per month.</p> <p>Short-Term Income Support programs may be structured for periods up to 18 months, but payments can only be authorized for one month at a time to ensure that households are still located in Los Angeles County and eligible for assistance.</p>
Prioritization	As the income support payments are intended to be short-term, Eligible Jurisdictions are encouraged to prioritize households who have or anticipate having income from employment/benefits, are currently at or below 50 percent of AMI, and are currently working toward an increase in income through employment, education, or eligibility for benefits.

b. Documentation Standards and Guidance

Eligible Jurisdictions and Subrecipients must ensure that eligibility is determined for households assisted and that funds are spent in accordance with Measure A, SB679, and these Program Guidelines.

No RPHP program or activity may request or maintain documentation related to assisted household immigration status.

Eligible Jurisdictions and Subrecipients may utilize their own documentation requirements and review standards, provided they include policies and procedures covering all of the following elements:

1. Collect and review documentation to determine that households meet all eligibility criteria for assistance, including:

*Legal Services and Renter Education and Emergency Rental and Flexible Financial Assistance*²

- a. Live in Los Angeles County; and
- b. Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI); and
- c. Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”); and
- d. Have experienced an emergency, crisis, or unexpected event within the previous 12 months that puts the household at risk of losing their housing, such as:
 - i. Action of landlord or property management
 - ii. Unlawful detainer (eviction lawsuit)
 - iii. Threat of displacement or housing instability
 - iv. Loss of income
 - v. Loss or delay of public benefits
 - vi. Medical emergency
 - vii. Change of household (birth, death, loss of income earner)
 - viii. Natural disaster
 - ix. Sudden increase of critical expenses

² When conducting workshops or other educational activities under the Legal Services and Renter Education activity, Eligible Jurisdictions do not need to collect individual income or other eligibility documentation for all participants. Eligible Jurisdictions must maintain documentation to show how the activities were marketed in a fashion to encourage participation by eligible, low-income households.

- x. Other emergency that threatens housing stability

Temporary Rental Assistance and Short-Term Income Support

- a. Live in Los Angeles County; and
 - b. Have an annual income at or below 80 percent of AMI (Eligible Jurisdictions are encouraged to prioritize assistance to households at or below 50 percent of AMI); and
 - c. Be a renter (as defined above in the section titled “Definition of Eligible Renter and Prohibited Uses”) OR have a rental unit identified; and
 - d. Have a documented housing crisis which the household cannot resolve without Short-Term Income Support.
2. Policies must include the ability for a household to complete an affidavit of zero income if the household has no income.
 3. Verify and document amounts owed by the renter for all expenditures covering anticipated costs or previous costs incurred by the renter. (This means, for example, that for past rent due or utilities, there is a document that shows how much is owed, by whom it is owed, and to whom it is owed.)
 4. Verify and ensure that payments of any type of financial assistance are made to parties eligible to receive them and have measures in place to ensure that the party receiving the funds is the intended party and that funds are applied to the cost they are intended for. (This means, for example, in the case of rental assistance, that a property owner or property management agency is verified as the legal owner of the property or a representative of the owner, and that communication with the property owner or property manager makes it clear that the funds are to be applied to the specific eligible renter’s rent.)
 5. Adopt and follow policies and practices in place to prevent and detect fraud, waste, and abuse and to avoid actual, or appearances of, conflicts of interest.
 6. Conduct a Duplication of Benefits check before providing financial assistance to ensure that assistance does not duplicate benefits available from other federal, state, or local sources.

Such policies shall not be used to refuse assistance to an otherwise eligible household. For example, if an eligible household is living with another household to whom they pay rent, but there is no lease between the parties, the program should document the relationship, the right to occupy of the second household, and a past pattern of payment in order to serve the household.

Programs that do not have currently conforming policies must either update their policies or adopt documentation policies that cover the above conditions and needs. Examples of conforming policies already in use in Los Angeles County include:

- [LAHSA Scope of Required Services \(SRS\) for Homeless Prevention Services](#)
- [Pasadena Partnership Homeless Prevention](#)

6. Technical Assistance (TA)

a. Overview

SB 679 requires LACAHSAs to allocate funding for Technical Assistance (TA). LACAHSAs directly administer a portion of the TA funding and allocate a portion to Eligible Jurisdictions. LACAHSAs' Annual Expenditure Plan identifies eligible program types for TA funds. For each program type, LACAHSAs and Eligible Jurisdictions may provide services directly or through contracted service providers. SB 679 also requires that LACAHSAs set aside programmatic funds specifically to provide TA to cities with a population under 50,000 and create a bench of consultants able to provide TA to those cities.

As needed, additional uses of TA funding may be raised to the LACAHSAs' Chief Engagement and Intergovernmental Officer for consideration and escalated to LACAHSAs' General Counsel or the LACAHSAs Board if required.

b. Approved Eligible Uses of Funding

i. Local Agency TA Grants

Local Agency TA Grants - At Large

LACAHSAs will administer a Local Agency TA Grant program that will allow Eligible Jurisdictions and their member jurisdictions to apply directly to LACAHSAs for TA funds. TA grants may be used to supplement an Eligible Jurisdiction's allocation of TA funds or provide direct funding to member cities and their Housing or Community Development Departments. TA funds may also be used to develop supporting materials and trainings for Eligible Jurisdictions.

Local Agency TA Grants - Small Cities

LACAHSAs, in collaboration with the COGs, will administer a Small Cities TA Grant program for cities with populations under 50,000. Eligible cities will apply directly to LACAHSAs and/or the COG for technical assistance funds. The TA grants will provide direct funding to member cities and their Housing or Community Development Departments.

Application and Funding Process

Eligible Jurisdictions may apply for direct TA from LACAHSAs at any point during the program year. Upon receipt of the application, LACAHSAs will review the requested TA needs and meet with the Eligible Jurisdiction to determine if LACAHSAs can provide the assistance or identify an alternative approach to support the Eligible Jurisdiction.

Upon submission of an application, small cities that apply for a Small Cities TA Grant will be immediately provided with a limited amount of on-call TA from a TA provider contracted by LACAHSAs and matched to the city based on the TA topic(s) identified in the city's application.

ii. Direct TA Programming

LACAHSAs may provide direct TA to Eligible Jurisdictions and their member jurisdictions to engage in coordination and capacity building. Direct TA may be delivered through technical workshops, training sessions, education on best practices, and regulatory compliance support. LACAHSAs may hire dedicated staff to lead programming and coordination efforts and/or engage with outside experts including academics, practitioners, and third-party consultants.

Specific eligible uses of LACAHSAs's Direct TA funding include but are not limited to:

- Full-time staff dedicated to regional coordination, such as an Ombuds role; and
- Training and capacity building workshops for Eligible Jurisdictions related to core program services including NOFA administration, loan underwriting, risk analysis, and asset management.

Needs Assessment

As part of LACAHSAs's Direct TA Programming, LACAHSAs will assign a TA provider to conduct a needs assessment with each new funding recipient to review their proposed activities and structure. The assigned TA team will provide a written needs assessment to LACAHSAs identifying potential resources that could benefit each recipient. The needs assessment will be conducted within the first three months of the program year of the funding allocation.

iii. Program Design, Administration, Monitoring, and Evaluation

LACAHSAs and Eligible Jurisdictions may use TA funds to develop internal staff capacity and administrative infrastructure required to design, operate, monitor, and evaluate related programs. TA may be provided by agency staff, third-party experts, and/or consultants. Eligible uses include but are not limited to:

- Dedicated staff for policy analysis, program development and administration, monitoring, and/or evaluation;

- IT infrastructure, data, and software subscriptions necessary for research, policy analysis, program administration, monitoring and evaluation; and
- Staff attendance at conferences, workshops, or education training programs focused on program-related technical skills.

Technical assistance resources may be used to also support capacity building related to program implementation and design at the activity level. For example, technical assistance resources may be used to support residents to establish and maintain decision-making authority within a social housing project.

iv. Professional Services Support

LACAHSAs and Eligible Jurisdictions may use TA funds to contract additional professional services directly related to program implementation, monitoring, and evaluation. Eligible uses include but are not limited to:

- Program design and NOFA Administration;
- Real estate and land acquisition support;
- Underwriting, closing, and asset management support;
- Program monitoring, auditing, and evaluation;
- Legal counsel;
- Data and policy analysis;
- Public outreach and engagement; and
- Accounting and financial management.

Professional services are not an eligible use to the extent that the services are rendered for the Eligible Jurisdictions general needs or otherwise not directly related to a LACAHSA program. TA funds cannot be treated as general fund revenues. For example, the TA funds cannot pay an Eligible Jurisdiction's costs for general counsel to attend a board meeting, but TA funds may be used to pay legal counsel's costs of preparing project loan transactional documents or drafting model ordinances to streamline housing production for member cities.

c. Documentation Standards

Eligible Jurisdictions must maintain adequate documentation to show that TA activities were used to support the implementation and effectiveness of Measure A funded activities, and costs were incurred in accordance with the annual budget.

To document cost eligibility, the Eligible Jurisdiction should maintain documentation to show the associated costs can clearly be allocated to the delivery of TA. Documentation may include:

- Invoices and Receipts: Documentation of payments for associated TA costs such as receipts for trainings or travel for participation in a capacity building activity.
- Contracts and Agreements: Any service contracts or agreements related to TA support (e.g., accounting services, IT support).
- General Ledger Entries: Accounting entries reflecting expenses and corresponding allocations.
- Budget and Expense Reports: Reconciliations that link costs to the approved budget.
- Supporting Correspondence: Emails or memos that justify expenditures or approvals.

For staff costs, the Eligible Jurisdiction or subawardee must maintain adequate documentation showing that the staff provided direct support to LACAHSAs funded activities. This can be achieved through timesheets or self-certification reporting.

- Timesheets or personnel activity reports showing hours worked on TA tasks, including the employee's role and pay rates.
- Alternatively, Eligible Jurisdictions may report time spent supporting TA activities through self-certification reporting. At a minimum, each employee's name, title, and wage rate should be included along with the total hours or % of time to be allocated for the period. The self-certification must include certification that the hours reported are true and accurate by the supporting employee and their supervisor. Self-certification must be signed and dated by the employee and supervisor to be complete.

7. Funding Administration and Management

a. Annual Budget

To enable LACAHSAs to plan for effective cash management, timely disbursement of funding, and programmatic coordination with Eligible Jurisdictions, all Eligible Jurisdictions must maintain a current annual budget.

The budget must establish the proposed activities for the corresponding fiscal year. The budget shall be approved by the Eligible Jurisdiction's governing body by November 1, 2025, for the FY25-26 time period. For subsequent fiscal years, an annual budget will be expected to be in place by May 1 of the preceding fiscal year or 60 days after the release of the expected annual budget, whichever is later. This budget will be a component of the first quarter report. LACAHSAs will confirm the budget provides adequate detail and documentation within 15 business days of receipt.

If the Eligible Jurisdiction is requesting funds to be advanced to them, LACAHSAs shall advance funds upon request once a budget has been submitted to LACAHSAs.

Annual budgets must provide adequate detail to demonstrate that the proposed uses meet an eligible activity and align with the enabling legislation and these guidelines. For example, the budget must identify the proposed activity, specific use of funds, and the anticipated outcomes of the funding. At a minimum, advances must be reconciled as part of reporting. If determined necessary, LACAHSAs reserves the right to require more frequent reconciliation.

During the course of the fiscal year, Eligible Jurisdictions may amend the annual budget based on changing needs and conditions. The revised budget shall be submitted to LACAHSAs as amended.

b. Activity Delivery and Program Administration Costs

To ensure sufficient resources are available for administration and program implementation and oversight activities, while also maximizing the amount of funds that go directly to program beneficiaries, the LACAHSAs Board has established the following budget guidance for Activity Delivery Costs and Program Administration Costs.

i. Activity Delivery Costs (ADCs)

RPHP

RPHP activities have a 25 percent cap on Activity Delivery Costs (ADCs), meaning Eligible Jurisdictions and Subrecipients can spend up to 25 percent of their RPHP program budgets on these costs.

One hundred percent of ADCs must be passed on to the subrecipient or the entity that is directly carrying out the activity.

Eligible Jurisdictions/Subrecipients can request a waiver of this cap based on unique program circumstances by submitting a request to LACAHSAs. The decision whether or not to grant a waiver is at the discretion of LACAHSAs.

ADCs include staff and overhead costs incurred for administering and implementing a specific program or project. ADCs include the cost of staff directly carrying out a program/project activity as well as equipment and supplies that are necessary for successful completion of the activity.

Activity delivery costs are direct expenses related to implementing the program's objectives and delivering services to households. These costs include determining eligibility, reviewing required documentation, communication with households, and providing direct financial assistance or services to participants seeking assistance. Examples of ADCs include:

- Efforts to market, assess, and enroll potential households into RPHP activities

- Ongoing case management services

Budget allocations for ADCs must be held by the entity that is responsible for program or project delivery. This may be LACAHSAs, an Eligible Jurisdiction, or a Subrecipient.

PPO and TA

There is not a definitive set aside for activity delivery costs for PPO or TA activities, but PPO funds can be used to fund necessary and associated soft costs with the proposed activity.

ii. Program Administration Costs

Program Administration costs have a cap of 12.5 percent, meaning Eligible Jurisdictions can spend up to 12.5 percent of their total allocation on these costs. If LACAHSAs or an Eligible Jurisdiction enters into an agreement with a Subrecipient to administer any program, the Eligible Jurisdiction/LACAHSAs must pass through at least 50 percent of their Program Administration cost allocation to their subrecipients or the entity that is directly carrying out the activity for the proportional budget awarded to the subrecipient.

Program Administration costs include costs for staff-time and overhead costs for planning, general management, oversight, coordination, and implementation of the program as a whole. These are costs that cannot be directly attributed to a single project or activity. Program administration also includes coordination activities with other regional initiatives. These costs may include but are not limited to:

- a. Executive oversight staff salaries and benefits
- b. Financial management, accounting, and audit preparation
- c. Grant reporting and documentation requirements
- d. Information technology systems supporting program operations, data collection and reporting
- e. General office expenses

If an activity is funded with multiple sources of funding, Program Administration costs may be used to support the implementation of the entire project but CANNOT be used to support specific activities such as reporting, reimbursement documentation, or monitoring activities associated with the other funding source(s) being used for the project.

iii. Indirect Costs

Indirect costs as allocated by an indirect cost rate are not allowed. All such costs should be included in the Eligible Jurisdiction/Subrecipient's ADCs and Program Administration costs.

iv. Documentation Standards

Eligible Jurisdictions must maintain adequate documentation to show that ADC and Program Administration funds were used to support the implementation and effectiveness of Measure A funded activities and costs were incurred in accordance with the annual budget.

Eligible Jurisdictions/Subrecipients of funds must maintain documentation standards for Activity Delivery Costs and Program Administration Costs to ensure transparency and accountability. Below are some examples of documentation; more detailed guidance will be provided to clarify specific requirements and best practices.

Documentation Standards for Program Administration Costs

Program Administration costs refer to expenses necessary for the general management and administration of the funded project or program.

To support these costs, Eligible Jurisdictions and their subrecipients and contractors should maintain clear, detailed, and organized records that may include, but are not limited to:

- Invoices and Receipts: Documentation of payments for office supplies, utilities, rent, and other overhead costs.
- Contracts and Agreements: Any service contracts or agreements related to administrative support (e.g., accounting services, IT support).
- General Ledger Entries: Accounting entries reflecting administrative expenses and corresponding allocations.
- Budget and Expense Reports: Reconciliations that link administrative costs to the approved budget.
- Supporting Correspondence: Emails or memos that justify administrative expenditures or approvals.
- Payroll Records:
 - Timesheets or personnel activity reports showing hours worked on administrative tasks, including the employee's role and pay rates.
 - Alternatively, Eligible Jurisdictions may report time spent supporting Program Administration through self-certification reporting. At a minimum, each employee's name, title, and wage rate should be included along with the total hours or percentage of time to be allocated for the period. The self-certification must include certification that the hours reported are true and accurate by the supporting employee and their supervisor. Self-certification must be signed and dated by the employee and supervisor to be complete.

These documents ensure that administrative costs are reasonable, allowable, and allocable to the project. Maintaining comprehensive records ensures compliance with funding

requirements, facilitates audits, and enhances financial accountability. Further detailed instructions and templates will be provided to guide recipients in maintaining appropriate documentation.

Documentation Standards for Activity Delivery Costs

Activity delivery costs are direct expenses related to implementing the program's objectives and delivering services. Documentation should be robust to verify that funds were used appropriately for program activities. Typical required records include:

- Participant Records: Attendance sheets, case management notes, sign-in logs, or beneficiary tracking documents to verify who received services.
- Invoices and Receipts: Proof of purchases for materials, supplies, equipment, or contracted services used directly to support or communicate with households.
- Travel Documentation: Travel authorizations, itineraries, mileage logs, and expense receipts for travel related to program activities.
- Program Reports: Progress reports, deliverables, or outputs that demonstrate activity completion.
- Subrecipient Monitoring: Documentation of subrecipient agreements, invoices, and monitoring activities if funds are passed through to partners.
- Payroll Records:
 - Timesheets or personnel activity reports showing hours worked on program-related tasks, including the employee's role and pay rates.
 - Alternatively, Eligible Jurisdictions may report time spent implementing program activities through self-certification reporting. At a minimum, each employee's name, title, and wage rate should be included along with the total hours or percentage of time to be allocated for the period. The self-certification must include certification that the hours reported are true and accurate by the supporting employee and their supervisor. Self-certification must be signed and dated by the employee and supervisor to be complete.

Both administrative and activity delivery costs require documentation that clearly supports the nature, amount, and purpose of expenditures. Maintaining comprehensive records ensures compliance with funding requirements, facilitates audits, and enhances financial accountability. Further detailed instructions and templates will be provided to guide recipients in maintaining appropriate documentation.

c. Funding Obligation and Expenditure Timeline

Under SB 679, Eligible Jurisdictions must obligate funding within 12 months of receipt of funds from LACAHS. Funding obligations must be made through administrative processes

without being subject to additional legislative processes. Funding is considered to be “obligated” upon receipt and written approval of the Eligible Jurisdiction’s Annual Budget by LACAHSAs staff. This action starts the expenditure period (3 years for PPO, 12 months for RPHP and TA). The expenditure period is restarted if the Eligible Jurisdiction provides a revised budget that is approved by LACAHSAs staff.

i. PPO Funds

Once funds are obligated to a specific PPO project, they must be expended within 3 years of the obligation date, unless an extension is authorized by LACAHSAs. If PPO funds have not been expended within 3 years of the obligation date, the Eligible Jurisdiction must submit evidence to LACAHSAs that it has made adequate progress towards completing the project. If LACAHSAs determines that the Eligible Jurisdiction has made adequate progress, LACAHSAs shall authorize up to an additional 24 months to grant entitlements to the remainder of the project.

If LACAHSAs determines that the Eligible Jurisdiction has not made adequate progress, the funds shall be transferred back to LACAHSAs and/or funding distributions to that Eligible Jurisdiction may be suspended. LACAHSAs shall hold the funds until the Eligible Jurisdiction submits a satisfactory plan to LACAHSAs to move forward with the project or allocate funds to another qualified project and/ or different Eligible Jurisdiction. “Adequate progress” means the project has received the land use approvals or entitlements necessary for at least 75 percent of the project’s units.

ii. RPHP Funds

Once RPHP funds are obligated, they must be expended within 12 months of the obligation date. At the conclusion of the 12-month period to expend funding, an Eligible Jurisdiction may request to re-allocate unexpended legal services funds within the RPHP category, even if the proposed re-allocation results in expenditures that are less than any minimum expenditure levels. The request would be reviewed by LACAHSAs staff, pursuant to objective guidelines that will be included in the FY26-27 Program Guidelines.

iii. TA Funds

Once TA funds are obligated, they must be expended within 12 months of the obligation date, unless an extension is authorized by LACAHSAs. If TA funds have not been expended within 12 months of the obligation date, the Eligible Jurisdiction must submit evidence to LACAHSAs that it has made adequate progress towards completing the project. If LACAHSAs determines that the Eligible Jurisdiction has made adequate progress, LACAHSAs shall authorize an additional 12 months to complete the project. Such extensions can be granted annually for a period of up to 5 years from the date of obligation.

If LACAHSAs determine that the Eligible Jurisdiction has not made adequate progress, the funds shall be transferred back to LACAHSAs and/or funding distributions to that Eligible Jurisdiction may be suspended. LACAHSAs shall hold the funds until the Eligible Jurisdiction submits a satisfactory plan to LACAHSAs to move forward with expending funds. “Adequate progress” means there is an established budget documenting the anticipated period of performance.

d. Subrecipient Agreements

LACAHSAs and Eligible Jurisdictions are entitled to make use of Subrecipients to administer and implement their programs. A Subrecipient is a public agency or a nonprofit organization receiving funds from LACAHSAs or an Eligible Jurisdiction to carry out an activity on behalf of the recipient (e.g., a COG passing through funds to a city, or a city passing through funds to a nonprofit organization). Subrecipients must comply with the same program requirements as LACAHSAs or the Eligible Jurisdiction. For each activity undertaken by a Subrecipient, a Subrecipient Agreement must be executed between the Eligible Jurisdiction or LACAHSAs and the Subrecipient that incorporates the program requirements contained in these Program Guidelines and in LACAHSAs’s Annual Expenditure Plan.

e. Contractor Procurement and Agreements

LACAHSAs, Eligible Jurisdictions, and Subrecipients are entitled to make use of Contractors to carry out program activities. Contractors are for-profit or nonprofit entities that are paid in return for specific goods and services, where payment is made as compensation for such goods and services. When procuring Contractors, LACAHSAs, Eligible Jurisdictions, and Subrecipients must follow their own established procurement policies and procedures.

Before disbursing funds to any Contractor procured to provide goods or services under this program, LACAHSAs, Eligible Jurisdictions, and Subrecipients must enter into a written agreement with the Contractor. The written agreement should include any requirements included in these Guidelines (for example, related to prevailing wages and project labor agreements for construction projects) as well as any relevant terms and conditions required by State and local laws.

f. Disbursement Process and Requirements

To ensure funds are disbursed to Eligible Jurisdictions and Subrecipients in a way that facilitates the efficient and effective implementation of programs, LACAHSAs will make advance payments and reimburse costs based on the requirements listed in this section.

Eligible Jurisdictions will be required to submit a Form W-9 to LACAHSAs and be set up as a payee with LACAHSAs prior to receipt of payments. Payee onboarding instructions will be

provided to each Eligible Jurisdiction. All Eligible Jurisdictions must be in good standing and cannot be a debarred entity at the Federal, State or local level.

i. Advance Payments

Eligible Jurisdictions and Subrecipients can receive advance payments for funds that are received by LACAHSAs. Advance payments cannot be made until the Eligible Jurisdiction submits an Annual Budget.

Once an advance payment is disbursed to an Eligible Jurisdiction, the obligation period will begin for the Eligible Jurisdiction for those funds.

Advance Payment Request Process

LACAHSAs may deny advance funding requests by Eligible Jurisdictions/Subrecipients who do not adhere to documentation requirements and/or are otherwise deemed at risk. If an advance payment request is denied, LACAHSAs will provide their rationale and the steps the Eligible Jurisdiction/Subrecipient can take to address the reasons for denial.

Advance Payment Management and Reporting

Advance payment funds must be held by the Eligible Jurisdiction/Subrecipient in a separate interest-bearing account and all interest must be tracked and documented as Program Income until expenditure. Program Income can only be used to pay costs for approved eligible uses.

Eligible Jurisdictions/Subrecipients that receive advance payments are required to report to LACAHSAs on the expenditure of advance funds and all interest earned, as part of the reporting described below. LACAHSAs reserves the right to request additional reports, increase the frequency of reporting, and/or terminate advance payments at any time for Eligible Jurisdictions/Subrecipients who do not adhere to documentation requirements and/or are otherwise deemed by LACAHSAs to be at risk.

If advance payments to an Eligible Jurisdiction/Subrecipient are terminated by LACAHSAs, LACAHSAs will provide the rationale for the decision and the steps the Eligible Jurisdiction/Subrecipient can take to address the reasons for termination. In these cases, the Eligible Jurisdiction/Subrecipient may only receive funding via reimbursement until the issues leading to the termination have been addressed.

ii. Reimbursement Requests

In lieu of advance payments, Eligible Jurisdictions may request reimbursement for all eligible costs as costs are incurred or when the obligation requirements are met and there is a demonstrated commitment of when the funds will be expended.

To request reimbursement, Eligible Jurisdictions must submit the following to LACAHSAs:

1. A signed requisition by an authorized representative that itemizes eligible costs by program and activity and includes a description of each itemized cost and a reference to the corresponding supporting documentation. LACAHSAs will provide a requisition template for submitting reimbursement requests.
2. Supporting documentation providing evidence that the cost was incurred, or there is a demonstrated commitment for expenditure.

Funds provided in advance of expenditure must be held by the Eligible Jurisdiction/Subrecipient in a separate interest-bearing account, and all interest must be tracked and documented as Program Income until expenditure. Program Income can only be used to pay costs for approved eligible uses.

Reimbursement requests should not include performance data, which are only to be submitted as part of the reports described below.

LACAHSAs will review all reimbursement requests within 15 business days of receipt. If any revisions to the request and/or additional information or documentation are needed, LACAHSAs will submit a request in writing to the Eligible Jurisdiction. LACAHSAs will review additional information submitted by Eligible Jurisdiction within 5 business days of receipt. Upon approval of a reimbursement request for payment, LACAHSAs will inform the Eligible Jurisdiction/Subrecipient it was approved and process the payment.

g. Program Income

Any revenue generated by program funding by LACAHSAs, Eligible Jurisdictions, or Subrecipients (i.e. interest earned on construction loans, interest earned on advance payment deposits, etc.) qualifies as Program Income. Program Income must be tracked until expenditure and can only be used to pay costs for eligible uses approved by LACAHSAs Board.

Program Income generated by the Eligible Jurisdiction (either through interest earned from funds disbursed to the Eligible Jurisdiction OR through programmatic activity) shall remain with the Eligible Jurisdiction. Eligible Jurisdictions may elect to allow Subrecipients to maintain and use Program Income for eligible activities OR return Program Income to the Eligible Jurisdiction as it is earned for allocation to eligible activities.

h. Reporting

Eligible Jurisdictions are required to periodically submit financial and programmatic reports to LACAHSAs as outlined below. Eligible Jurisdictions are responsible for gathering all required information from their Subrecipients and Contractors and reporting it to LACAHSAs as part of

the web-based reporting process. When reporting to LACAHSAs, Eligible Jurisdictions must use the most current reporting tools provided by LACAHSAs.

Eligible Jurisdictions are required to report on performance and financial data on a biannual basis. To reduce reporting burdens on Eligible Jurisdictions, LACAHSAs has separated the timing of submission for programmatic or financial reports according to the schedule below. If the reporting deadline falls on a weekend or holiday, reports will be due on the following business day.

Report	Reporting Period	Report Type	Due Date
First quarter report	July 1 – September 30	Financial	November 14 (45 days after quarter end)
Second quarter report	July 1 – December 31	Programmatic	February 14 (45 days after quarter end)
Third quarter report	October 1 – March 31	Financial	May 15 (45 days after quarter end)
Fourth quarter (Annual) report	January 1 – June 30	Programmatic	July 30 (30 days after quarter end)

The fourth quarter report will also serve as the Eligible Jurisdiction’s annual report to LACAHSAs, and as such will include an annual summary of programmatic activities and accomplishments.

Annual financial data will be gathered as a component of the annual audit conducted by LACAHSAs.

Reports will require sufficient detail for LACAHSAs to track and report on the performance metrics adopted by the LACAHSAs Board, which are included in the Annual Expenditure Plan.

i. Monitoring

LACAHSAs is responsible for ensuring that funding recipients comply with all regulations and requirements governing the administrative, programmatic, and financial management of LACAHSAs funds. Monitoring is the primary tool that LACAHSAs uses to ensure that programs and activities are being carried out in accordance with funding requirements. Monitoring is a review of program or project performance and compliance. There are several types of monitoring:

- **Administrative and Financial monitoring** ensures that Eligible Jurisdictions and Subrecipients are administering a program properly (i.e., tracking funds, using proper methods of recordkeeping, and managing finances appropriately).
- **Program monitoring** reviews the operations and management of Eligible Jurisdictions and Subrecipients for efficiency, effectiveness, compliance, etc. This kind of monitoring focuses on overall program performance.
- **Project monitoring** ensures that projects are in compliance with all relevant standards and requirements. This kind of monitoring focuses on the compliance of an individual project, including compliance with labor standards when applicable.

i. Year One and Every Five Years: Monitoring all Recipients

During the first year of program funding, LACAHSAs will monitor all entities that receive funding from LACAHSAs (this includes Eligible Jurisdictions and LACAHSAs's subrecipients; Eligible Jurisdictions will be responsible for monitoring their subrecipients). Subsequently, at least once every five years monitoring will include a review of revenues allocated to all recipients.

ii. Recipient Risk Assessment and Monitoring Plan

After Year One and outside the requirement to monitor all recipients at least once every five years, monitoring is dependent on the risk designation of each funding recipient. High risk recipients will be subject to monitoring by LACAHSAs at least annually, and more frequently if determined by LACAHSAs to be necessary.

Risk Assessment

LACAHSAs will complete a risk assessment at the beginning of each program year to determine which recipients are considered low and high risk. The risk assessment will be developed utilizing any sources of information that assist in providing a clear and timely picture of each recipient's progress and level of compliance with program requirements. This may include but is not limited to financial and performance reports, annual audits, requests for funding, and program/project scopes of work and budgets.

The risk factors that will be assessed may include the following:

1. Project Complexity, including size of the budget, use of funds, and if there will be program income.
2. Recipient Organization, including experience with similar programs and/or projects, and staff experience and capacity.
3. Recipient Track Record, including monitoring record and / or complaints, timeliness and accuracy of reports, and whether they have met performance objectives.

4. Financial, including audit findings.

As part of the risk assessment, LACAHSa will assess and record a risk score for each risk factor based on the information on hand; and will sum the risk scores for each factor to determine the Total Risk Score for each recipient.

Monitoring Plan

Recipients with the highest total risk scores will be subject to monitoring. Following the risk assessment, LACAHSa will develop a monitoring plan to define monitoring strategies and timelines for each high-risk recipient.

iii. Recipient Monitoring Process

The monitoring process will be determined by LACAHSa and will consist of the following steps:

1. **Notice.** LACAHSa will submit a written notice to the recipient/subrecipient of their intent to monitor. The letter will describe the scope of the monitoring and request documentation needed by LACAHSa to complete monitoring. The letter will be sent with sufficient notice for the recipient/subrecipient to prepare.
2. **Monitoring.** LACAHSa will review documentation provided by the recipient/subrecipient and will send questions and conduct interviews with recipient/subrecipient staff as needed.
3. **Preliminary Report.** Based on the document review and interviews, LACAHSa will draft a preliminary monitoring report outlining the initial findings, including findings that will require additional consultation with recipient/subrecipient staff.
4. **Monitoring Conference.** LACAHSa will meet with the recipient/subrecipient to discuss the preliminary findings and get clarification on findings that need additional information.
5. **Final Monitoring Report.** After the Monitoring Conference, LACAHSa will prepare a Monitoring Report that includes findings and concerns, and that identifies the conditions contributing to the finding or concern, and the corrective actions to be undertaken by the recipient/subrecipient.
6. **Corrective Actions and Clearance Letter.** Recipients/subrecipients take corrective actions to resolve findings in the Monitoring Report. Upon completion of all corrective actions to the satisfaction of LACAHSa, LACAHSa issues a Monitoring Review Clearance Letter to formally close the monitoring.

iv. Project Monitoring

LACAHSAs are responsible for monitoring housing production and preservation projects that are directly funded by LACAHSAs through the at-large funding allocation process. Monitoring will generally include the following:

- During the construction/rehabilitation phase, LACAHSAs will monitor contractors for compliance with labor standards and other State and local requirements; review contractor invoices; and conduct progress and final inspections of all construction/rehabilitation work.
- During the affordability/compliance period, LACAHSAs will conduct annual compliance monitoring to ensure projects continue to meet all program requirements, including occupancy and affordability requirements.

v. LACAHSAs Administration Monitoring

In addition to monitoring activities undertaken by recipients/subrecipients and projects on an annual basis, at least every three (3) years LACAHSAs will monitor its own administration of the program to ensure compliance with program regulations. This monitoring includes reviewing LACAHSAs's policies and procedures covering program administration and project-specific requirements (such as labor standards), reviewing files to verify adequate implementation of the relevant policies and procedures, and identifying and implementing changes to LACAHSAs's program administration as needed.

j. Audit and Record Retention

All records pertaining to LACAHSAs funds must be retained for a minimum of five (5) years after all terms of an MOU, Subrecipient Agreement, or Contractor Agreement are fulfilled, unless a longer period of records retention is stipulated.

LACAHSAs and Eligible Jurisdictions must provide citizens, public agencies, and other interested parties with reasonable access to records, consistent with applicable state and local laws regarding privacy and obligations of confidentiality. LACAHSAs or its designated representative will have the right during normal business hours to review and to copy any records and supporting documentation pertaining to LACAHSAs funding and interview any employees who might reasonably have information related to such records.

LACAHSAs will be subject to an annual audit and will conduct an audit annually of each Eligible Jurisdiction that receives funding. The audit will be completed within six months after the end of the fiscal year being audited and will comply with any standards adopted by the LACAHSAs Board.

k. Remedies for Non-Performance

It is the intent of LACAHSAs to cultivate positive partnerships with high-performing Eligible Jurisdictions and Subrecipients. LACAHSAs have a responsibility to address problems with Eligible Jurisdictions and Subrecipients directly and fairly. There are three (3) progressive approaches to addressing Eligible Jurisdictions and Subrecipients that are determined to be high risk, including early intervention, intervention for more serious or persistent problems, and finally, the imposition of sanctions.

- Early intervention involves any combination of the following measures:
 - The development of strategies with the Eligible Jurisdiction/Subrecipient that include additional training and technical assistance; or
 - Requiring more frequent or more thorough reporting by the Eligible Jurisdiction/Subrecipient; or
 - Conducting more frequent monitoring.
- Intervention for more serious or persistent problems may include, as appropriate:
 - Placing restrictions on the Eligible Jurisdiction/Subrecipient's payment requests; or
 - Incorporating additional restrictions in the MOU/Subrecipient Agreement, such as requiring approval prior to purchasing goods or providing services to clients.
- Imposition of sanctions for non-compliant Eligible Jurisdiction/Subrecipients involves:
 - Suspension of ongoing funding distributions;
 - Disallowance of ineligible costs incurred; or
 - Termination of MOU/Agreement.

Additionally, pursuant to Government Code 64830.5(a)(2)(A)(iii), if an Eligible Jurisdiction is found to be out of compliance with affordability targets at the end of a two-year period, LACAHSAs may take any of the following actions:

- Limit the funding for the Eligible Jurisdiction to extremely low- and very low-income housing units only until compliance is reestablished.
- Require the funding allocated to the Eligible Jurisdiction to be administered by LACAHSAs instead of the Jurisdiction.
- Increase funding incentives as needed to meet project and programmatic targets.

l. Nondiscrimination

Eligible Jurisdictions and Subrecipients must adopt and follow a nondiscrimination policy that complies with all relevant local, state, and federal laws, and which at minimum ensures that no person shall be excluded from participation in, denied the benefit of, or be subject

to discrimination under any program or activity funded in whole or in part with LACAHSAs funds on the basis of their religion or religious affiliation, age, race, color, creed, gender, sexual orientation, marital status, familial status (children), physical or mental disability, national origin, ancestry, immigration status, or other arbitrary cause.

m. Procurement

Eligible Jurisdictions must ensure their funds are used to procure contractors and vendors in accordance with their own established procurement policies and procedures. If an Eligible Jurisdiction does not have an established procurement policy, it must develop said policy prior to awarding LACAHSAs funds to subawardees.

n. Preventing Fraud, Waste, and Abuse

LACAHSAs is committed to maintaining a culture of honesty and preventing fraud, financial abuse and/or waste of public funds or assets. Eligible Jurisdictions and Subrecipients must adopt and follow policies and procedures to prevent and detect fraud, waste, and abuse, including but not limited to the following:

- Clearly defining fraud, waste, and abuse in organizational policies.
- Providing whistleblower information in easily accessible locations.
- Training staff to prevent, detect, and report fraud.
- Maintaining strong financial management systems with robust internal controls.
- Routinely monitoring, evaluating, and improving internal controls when necessary.

o. Anti-Lobbying

Eligible Jurisdictions and Subrecipients must adopt and follow an anti-lobbying policy that prohibits the use of Measure A funds for payment to any person for influencing or attempting to influence an officer or employee of any agency, an elected representative or their employees, or an officer or employee of a legislative body, in connection with the awarding, extension, continuation, renewal, amendment, or modification of any contract, grant, or loan involving Measure A funds.

p. Conflict of Interest

Eligible Jurisdictions and Subrecipients must maintain a written code of conduct governing the performance of their employees, agents, consultants, officers, or elected officials or appointed officials who exercise or have exercised any functions or responsibilities related to Measure A-funded programs, or who are in a position to participate in a decision-making process or gain inside information with regard to these activities. Codes of conduct should be written so as to avoid actual, or appearances of, conflicts of interest. Such conflicts would arise when any of the following parties has a personal financial interest in, or may personally

financially benefit from a Measure A-assisted activity, or has a personal financial interest in any contract, subcontract, or agreement with respect to the Measure A-assisted activity, or the proceeds from such activity:

- An employee, agent, consultant, officer, or elected official or appointed official of the Eligible Jurisdiction or Subrecipient;
- A person with whom they have business or immediate family ties (immediate family ties include, by blood, marriage or adoption: the spouse, parent/stepparent, child/stepchild, brother/stepbrother, sister/stepsister, grandparent, grandchild, and in-laws);
- An organization which employs, has recently employed, or is about to employ, any of the above.

Relationships among public agencies, or the officials or employees of public agencies, are not considered conflicts of interest. For example, a member of a COG's board of directors who is also a city council member, does not have a conflict of interest under these guidelines.

FIRST AMENDED AND RESTATED
PROFESSIONAL SERVICES AGREEMENT

Contractor: Exygy, Inc.

Title: Comprehensive Housing Search and Application System for the
Affordable and Accessible Housing Registry

Said Agreement is Number C-201583 of City Contracts

DRAFT

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FIRST AMENDED AND RESTATED
AGREEMENT NUMBER C-201583 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
EXYGY, INC.

THIS FIRST AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT is made and entered into by and between the City of Los Angeles (“City”), a municipal corporation, and Exygy, Inc. (“Contractor”), a California for profit corporation (sometimes collectively referred to herein as the “Parties”).

WITNESSETH

WHEREAS, the Los Angeles Housing Department (“LAHD”), is charged with the development of citywide housing policy and support of safe and livable neighborhoods through the promotion, development and preservation of decent and affordable housing; and

WHEREAS, the City 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 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 LAHD budget with eligible administered funds which have been approved by the Los Angeles City Council and the Mayor; and

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

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

WHEREAS, on October 30, 2024, the City released a Request for Proposals (RFP) to select a contractor to provide a comprehensive housing search and application system for the affordable and accessible housing registry (hereinafter, the “Services”), and the Contractor applied to and was awarded a contract under the RFP; and

WHEREAS, on May 6, 2025 and May 14, 2025, City Council and the Mayor approved the execution of a contract with the Contractor to provide the Services for an amount not to exceed Two Million Three Hundred Sixty-Four Thousand Dollars (\$2,364,000), for a term of three (3) years commencing on June 1, 2025 and ending May 31, 2028, (Council File Number 25-0447),

pursuant to which the Parties entered into Contract Number C-201583, executed by the City Clerk on May 29, 2025 (“Original Agreement”); and

WHEREAS, the City and the Contractor are desirous of amending and restating Contract Number C-201583 as authorized by the action of the Los Angeles City Council and the Mayor (Council File Number ##-#### adopted by City Council on Month Day, 2026 and concurred by the Mayor on Month Day, 2026), which authorizes the General Manager of LAHD to amend and restate Contract Number C-201583 for the purpose(s) of: (a) adding additional funds in the amount of **Two Million Four Hundred Ninety Thousand Five Hundred Fifty-Two Dollars (\$2,490,552)** for a new total of **Four Million Eight Hundred Fifty-Four Thousand Five Hundred Fifty-Two Dollars (\$4,854,552)** and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Agreement completely amends, restates, and replaces the Original Agreement in its entirety.

[Remainder of page left intentionally blank]

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

I. INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, California 90012.
- B. The Contractor, known as Exygy, Inc., a California for profit corporation, having its principal office at 548 Market Street #59930, San Francisco, California 94104.

§102. Representatives of the Parties and Service of Notices

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

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

Tiena Johnson Hall, General Manager
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

With copies to:

Luz C. Santiago, Acting Executive Officer
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

Craig Arceneaux, Director, Asset Management Division
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

Kim Ly, Director, Systems Division
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

2. The representative of the Contractor shall be:

Antonella Guidoccio, Senior Director of Product for Bloom Housing
Exygy, Inc.
548 Market Street #59930
San Francisco, CA 94104
admin@exygy.com
(415) 992-7251 ext:201

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.

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 accordance with this section, within five (5) working days of said change.

§103. Conditions Precedent to Execution of This Agreement

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

- A. Proof of insurance in accordance with §423 of this Agreement and as detailed in Exhibit A which is made a part hereof.
- B. Certification of Compliance with the City's Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy in accordance with §428 of this Agreement attached hereto as Exhibit B which is made a part hereof.
- C. Certification of Compliance with the City's Slavery Disclosure Ordinance in accordance with §433 of this Agreement, First Source Hiring Ordinance in accordance with §434 of this Agreement, Local Business Preference Ordinance in accordance with §435 of this Agreement, and Disclosure of Border Wall Contracting Ordinance in accordance with §446 of this Agreement, all of which are available on the City of Los Angeles' Regional Alliance Marketplace for Procurement ("RAMP") at www.rampla.org, prior to award of a City contract.
- D. Contractor was provided with a copy of LAHD Directive Number FY12-0001 in accordance with §445.B.1. of this Agreement and agrees to abide therewith.

II. TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on **June 1, 2025** and end **May 31, 2028** ("Agreement Term"). Said Agreement Term is subject to the provisions herein. Performance shall not commence until the Contractor has obtained the City's approval of

the documents identified in §103 above, and the insurance requirements as forth below in this Agreement.

§202. Services to be Provided by the Contractor

The Contractor shall provide contractual services which are supported by the work task schedule identified in this section. All work is subject to prior City approval. Failure to receive approval may result in withholding compensation pursuant to §301.

A. Overview

This Statement of Work (SOW) defines the scope of services and deliverables to be provided by the Contractor for the design, development, and implementation of a comprehensive, multilingual online housing search and application system that meets Website Content Accessibility Guidelines (“WCAG”) 2.2 and Section 508 of the Rehabilitation Act of 1973 requirements. The City currently has an online Affordable and Accessible Housing Registry (AAHR) that contains data on 2,621 residential properties monitored by the City. It needs significant improvements in its user interface and in several other areas. Therefore, the primary goal of this project is to create a robust, user-centric platform that enables residents of the City to seamlessly search for and apply to affordable and accessible housing options tailored to their individual needs, preferences, and eligibility criteria.

Strategic Importance: The development of this online housing system is a key component of LAHD’s broader strategy to modernize its services and improve the quality of life for the City’s residents. This initiative aligns with the City’s commitment to digital transformation, ensuring that public services are more accessible, efficient, and responsive to the diverse needs of the community. By integrating this system with the existing LAHD infrastructure, we aim to create a seamless experience for both residents and housing providers, fostering greater trust and engagement.

Contractor Role: The Contractor shall be responsible for delivering a comprehensive solution that meets the highest standards of quality, security, and accessibility. This includes conducting thorough research, collaborating closely with LAHD stakeholders, and ensuring the platform is fully integrated with the existing LAHD Information Technology (IT) ecosystem. The success of this project will be measured not only by the technical soundness of the solution but also by its ability to meet the specific needs of City residents and stakeholders effectively.

In summary, this SOW outlines a collaborative effort between LAHD and the Contractor to develop a state-of-the-art online housing information system that will serve as a vital resource for the City’s ongoing efforts to provide equitable housing opportunities for all residents.

B. Project Objectives

1. Develop Affordable and Accessible Housing System:

- a. Create a centralized, comprehensive, accessible and multilingual online housing search and application system.
 - b. Provide a user-friendly platform for the general public and people with disabilities seeking housing.
 - c. Develop a user-friendly platform for property owners, managers, and partners.
 - d. Create a user-friendly platform for LAHD staff.
 - e. Develop a listing system for for-sale homes.
 - f. Integrate with the current LAHD IT ecosystem, including databases and services.
2. Comprehensive Housing Database:
- a. Develop an up-to-date housing database inclusive of City-supported housing programs, covering both 100% affordable and mixed-income projects, and both rental and for-sale homes.
 - b. Ensure users have access to a wide range of housing options based on their needs and eligibility.
 - c. Provide the ability to filter for projects covered by the City's accessibility-related settlement agreement (<https://housing2.lacity.org/housing/settlement-agreement-and-voluntary-compliance-agreement>) so that people with disabilities will be able to easily identify properties having units designed to meet the needs of people with mobility disabilities and those with hearing/vision disabilities.
3. User-Centric Design:
- a. Implement a user-centric design approach for an intuitive platform.
 - b. Prioritize user experience, making it easy for applicants to search, understand criteria, and be able to join waiting lists or lotteries for affordable and accessible housing units.
4. Multilingual Support:
- a. Ensure inclusivity and accessibility for diverse linguistic backgrounds.
 - b. Provide translations for the most commonly-spoken languages in the City using human translations as much as possible over automated options to ensure the highest quality and accuracy. Key languages to consider include English, Spanish, Korean, Armenian, Chinese, and Filipino/Tagalog.
5. Efficient Application Process:
- a. Allow users to submit pre-applications for housing online.
 - b. Streamline the process and offer clear steps for both home seekers and property owners/managers.
 - c. Allow for seamless transfer of pre-applications submitted on the registry to property managers for review and tenant selection.

6. Transparency and Notifications:

- a. Keep users informed of new/initial project lease-up and vacated units through regular, customizable updates and notifications.
- b. Maintain user trust and manage expectations in the housing application process.

7. Accessibility Compliance:

- a. Ensure full compliance with WCAG 2.2 and Section 508 of the Rehabilitation Act of 1973.
- b. Web Accessibility:
 - (1) All web interfaces must meet WCAG 2.2 AA standards, ensuring compatibility with assistive technologies such as screen readers, keyboard navigation, and voice recognition tools.
- c. Document Accessibility:
 - (1) All system-generated and uploaded documents (e.g., PDFs, Word documents) must adhere to accessibility standards, ensuring compatibility with assistive technologies and readability for all users. Documents should undergo accessibility checks before publication.
- d. Mobile Accessibility:
 - (1) Mobile interfaces and applications must comply with WCAG 2.2 standards to ensure seamless access on a variety of devices, including smartphones and tablets.

8. Support and Training:

- a. Develop comprehensive online and off-line customer support.
- b. Develop training materials and FAQs for staff and end-users to facilitate system adoption.
- c. Provide training and onboarding of City IT team to be able to run the platform
- d. Provide training and onboarding of City Accessible Housing and Occupancy Monitoring staff to be able to provide assistance to property managers and others using the housing website.

9. Data-Driven Decision-Making:

- a. Generate reports and insights from system data for informed decision-making by LAHD and other stakeholders.

10. Long-Term Maintenance Plan:

- a. Develop and implement a plan for system maintenance and sustainability, including regular updates and listing accuracy.

C. Scope of Services:

This section outlines the scope of services required of the Contractor for the successful implementation of the Comprehensive, Multilingual, Accessible Online Housing

Search and Application System. This system aims to provide a user-centric, accessible platform for Los Angeles residents to explore and apply for affordable and accessible housing options tailored to their unique needs, preferences, and qualifications.

To ensure the success of this project, the Contractor shall deliver a comprehensive range of services, custom-tailored for the City. The primary objective is to create an intuitive and accessible platform that enables City residents to effortlessly search for affordable housing units that align with their unique needs, preferences, and eligibility criteria. To achieve this, the Contractor should provide a full suite of services and deliverables, including:

1. Project Management Services:

- a. The Contractor shall provide comprehensive project management services, including planning, resource allocation, risk and issue management, communication, stakeholder engagement, quality assurance, budget management, change management, compliance, training, performance monitoring, post-implementation support, and project closure.

2. Initial Discovery and Research:

- a. Establish a comprehensive understanding of relevant policies and programs.
- b. Assess existing technical infrastructure and integration opportunities.
- c. Conduct stakeholder and user research.
- d. Collaborate with governance bodies and advisory groups.
- e. Analyze existing data models and plan for data migration.
- f. Evaluate existing data sources and systems.
- g. Explore options for data integration and ingestion.
- h. A site map for the current Affordable and Accessible Housing website is available at the following link:

<https://lahousing.lacity.org/AAHR/ComCon/Tab/RenderTab?tabName=Site%20Map>

3. Technical Discovery

- a. Architecture Design
 - (1) Collaboratively design the technical architecture of the online housing search and application system.
 - (2) Define components, databases, and server configurations.
- b. Technical Requirements Gathering
 - (1) Collect and document detailed technical requirements, including databases, application program interfaces (“APIs”), and integrations.
 - (2) Identify data storage and processing needs.
- c. Technology Stack Selection
 - (1) Select the appropriate technology stack for web application development.
 - (2) Choose programming languages, frameworks, and libraries.
- d. Data Integration Strategy

- (1) Plan and implement data integration strategies to ensure seamless data flow between system components.
 - (2) Consider data synchronization and real-time updates.
4. Delivery: Product, Design, and Build:
- a. Product Roadmap:
 - (1) Develop and update a product roadmap.
 - (2) Prioritize product outcomes and features.
 - b. Visual Language:
 - (1) Apply LAHD's visual style guide to design elements.
 - c. UX/UI Design:
 - (1) Create wireframes, high-fidelity mockups, and design components.
 - (2) Incorporate user experience and interaction design.
 - (3) Front-End Development:
 - (a) Develop the user interface (“UI”) and user experience (“UX”) components of the web application, including type-specific filters (covered and not covered).
 - (b) Implement responsive design for various devices and browsers.
 - d. Back-End Development:
 - (1) Build the server-side logic, database architecture, and APIs.
 - e. User Research:
 - (1) Organize group discussions with users to encourage interactive feedback and uncover common themes.
 - (2) Understand user goals, needs, and behaviors.
 - f. User Testing & Validation:
 - (1) Validate design direction and new features through user testing sessions, including accessibility testing.
 - (2) Gather feedback to ensure user-friendliness.
 - g. Agile Development:
 - (1) Build platform features iteratively.
 - (2) Provide updates, demos, and issue management.
 - h. 3rd Party Integrations:
 - (1) Integrate with other applications and programs as needed.
 - (2) Develop custom imports, exports, and API integrations.
 - i. Hosting & Security Updates:
 - (1) Ensure server uptime and provide support.
 - (2) Perform regular updates and maintenance.
 - j. Translation Management:
 - (1) Assist with translation options.
 - (2) Manage translation processes.
 - k. Accessibility:
 - (1) Engage accessibility experts for continuous testing and improvements.
 - (2) Ensure an inclusive user experience.
 - l. User Support & Maintenance:
 - (1) Provide technical support to end-users.
 - (2) Address issues and recommend product enhancements.

- m. Platform Installation in LAHD Environment:
 - (1) Collaborate with the LAHD systems team to set up the development environment from the outset of the initial agile iteration.
 - (2) Ensure timely access for the LAHD systems team to the source repository during the initial agile iteration.
 - n. All solutions must be deployable within the City's AWS environment, Salesforce environment, or ServiceNow environment, ensuring compliance with infrastructure policies and maintaining full ownership and control. Hosting services may include:
 - (1) Amazon EC2: For web application and database server hosting.
 - (2) Amazon RDS: For PostgreSQL or MS SQL Server database management.
 - (3) AWS API Gateway and Lambda: For serverless API management and processing.
 - o. If the Contractor proposes using an existing SaaS or COTS product built with technologies approved by the City, the Contractor must transfer the solution to the City-owned AWS, Salesforce, or ServiceNow accounts.
5. Testing and Quality Assurance:
- a. Perform comprehensive testing, including unit testing, integration testing, and user acceptance testing.
 - b. Address bugs, issues, and glitches promptly.
 - c. Ensure cross-browser compatibility and responsiveness.
6. Stakeholder Engagement:
- a. Housing Strategy:
 - (1) Facilitate alignment on LAHD goals and develop awareness of existing housing policies.
 - (2) Translate policy requirements into design and technical needs.
 - b. Data & Reporting:
 - (1) Provide data to facilitate system improvement and housing policy or procedure decisions.
 - c. Listing Management:
 - (1) Onboard developers and property managers.
 - (2) Provide ongoing training materials.
 - d. Stakeholder Management:
 - (1) Engage various stakeholders, including landlords, property managers, developers, and housing authorities.
 - (2) Offer stakeholder facilitation and management.
 - e. Steering Committee:
 - (1) Form a Steering Committee of City staff to collect perspectives and make decisions.
 - f. Leadership roles, business analysts, and development team leads must be available during PST business hours (7:00 AM to 5:00 PM) for effective collaboration. The entire project team must also be available during the first

half of business hours (7:00 AM to 12:00 PM PST) to ensure timely communication and progress tracking.

7. Sustainability Strategy:

- a. Training:
 - (1) Train developers, property managers, and jurisdiction staff.
 - (2) Provide guidelines for issue resolution.
- b. Documentation:
 - (1) Document knowledge and components.
 - (2) Update materials as needed.
- c. Sustainability Strategy:
 - (1) Explore sustainability models for the platform.

8. Deployment to LAHD Environment Support

- a. Assist in deploying the system's solution to LAHD's development, test, staging, and production environments.
- b. Transfer solution source codes to LAHD's Repository.
- c. Provide assistance in resolving deployment issues.
- d. Facilitate knowledge transfer on the system's architecture and configuration to LAHD's system support team.

9. System Integration and Data Migration

- a. Collaborate with LAHD systems to implement and integrate APIs with existing LAHD services, including LA City Angeleno Account, LAHD Identity Management System, and document management systems.
- b. Work with the LAHD systems team for data synchronization.
- c. All sensitive data must remain secure within the City's network. For development purposes, masked (anonymized) data or database schemas will be securely provided to maintain confidentiality and compliance with City policies.
- d. The solution must integrate seamlessly with existing LAHD systems, which include:
 - (1) MS SQL Server 2019 Database: Managing affordable and accessible housing data, such as property listings, development projects, property owners, property managers, and tenant details.
 - (2) Existing Reporting Tools: Integration with SSRS, Power BI, and ArcGIS mapping to enable consistent reporting and data visualization.
 - (3) Identity Services: Integration with Angeleno Account and LAHD's custom-built Identity Service for secure authentication and authorization.
 - (4) Document Management API: Handling file types like PDFs, Word documents, and image files to ensure smooth uploads, downloads, and management.

- e. The solution must support robust data integration approaches to ensure seamless interoperability with existing systems, particularly for property and project-related data. These approaches must include:
 - (1) Initial Data Export: An initial large-scale data export (data dump) must be planned and executed to ensure the existing property listings, development project details, and other critical data are fully migrated or synchronized with the new system. This step is essential to establish a comprehensive and consistent dataset at the project's outset.
 - (2) Batch and Regular Synchronization: Utilizing ETL processes to periodically synchronize critical data, such as updates to property listings, project details, reporting data, or archived records. This approach ensures consistency across systems while optimizing performance for high-volume operations.
 - (3) Real-Time Synchronization: Employing APIs to handle time-sensitive updates, including user interactions, system notifications, document uploads, or changes to property and project-related data. Real-time synchronization ensures immediate data availability for enhanced system responsiveness and user experience.
- f. The primary goals of integration are to enable accurate reporting, maintain data consistency across systems, and support both periodic and real-time updates to ensure operational efficiency.

10. Performance Requirements

- a. Page Load Times:
 - (1) All public-facing pages must become usable within **1–2 seconds** and fully load within **3 seconds** on desktop devices under normal conditions (e.g., typical user bandwidth and device capabilities). On mobile devices, pages must become usable within **2–3 seconds** and fully load within **4 seconds**.
- b. Performance Testing:
 - (1) The Contractor must conduct comprehensive performance testing using industry-standard tools, such as Google PageSpeed Insights, Lighthouse, or GTmetrix, to verify compliance with the stated page load time requirements. Test results must be documented and included in the deliverables.

D. Summary of Deliverables

The Contractor shall be responsible for delivering the following components and services as part of the redesign and system integration of the Affordable and Accessible Housing Registry (“AAHR”) website:

1. Redesigned Web-Based Platform

- a. The Contractor shall design, develop, and deploy a modernized, user-centric web-based platform for the AAHR. The platform shall support both desktop and mobile access, be compliant with (WCAG) 2.2 and Section 508 of the

Rehabilitation Act of 1973, and provide an intuitive interface for residents, property owners, and LAHD staff.

2. System Integration with Existing LAHD Infrastructure

- a. The Contractor shall ensure full integration of the new platform with existing LAHD systems, including but not limited to databases, authentication services, and internal workflows. All integration work shall preserve data integrity and operational continuity.

3. For-Sale Homes Listing Functionality

- a. The Contractor shall develop and implement a new module to enable listing and browsing of for-sale homes in addition to existing rental listings. This module shall be fully integrated into the core platform and accessible through the same search and application workflows.

4. Eligibility-Based Search Capability

- a. The Contractor shall implement advanced search functionality that allows users to filter housing listings based on eligibility criteria, including but not limited to household income, accessibility needs, household size, and other factors as defined by LAHD. Eligibility criteria shall be configurable to allow for future updates.

5. Administrative Tools for Housing Providers

- a. The Contractor shall deliver a suite of tools for property owners and managers to create, edit, and manage housing listings; review pre-applications; and communicate with potential applicants. These tools shall include secure access controls and activity logs for administrative oversight.

6. Multilingual Content and User Interface Support

- a. The Contractor shall implement multilingual support for the platform, including professionally translated content for English, Spanish, Korean, Armenian, Chinese, and Filipino/Tagalog. The multilingual features shall be implemented in compliance with applicable accessibility standards and shall prioritize human translation over automated tools where feasible.

7. Pre-Application Submission Workflow

- a. The Contractor shall design and implement a streamlined pre-application submission process that is secure, accessible, and user-friendly. The workflow shall include application status tracking for users and tools for LAHD and housing providers to manage and respond to submissions. A notification system shall be implemented to provide timely updates to users.

8. Hosting, Deployment, and Environment Setup
 - a. The Contractor shall provide a deployment plan aligned with LAHD's infrastructure and cloud strategy, including the setup of development, staging, and production environments. The deployment shall include versioning, rollback procedures, and secure configuration management.
9. Documentation and Training Materials
 - a. The Contractor shall develop and deliver comprehensive documentation including system architecture, user manuals, administrative guides, and configuration instructions. The Vendor shall also provide training materials and conduct training sessions for LAHD personnel and designated users.
10. Project Management and Status Reporting
 - a. The Contractor shall provide a detailed project schedule including milestones, deliverables, and deadlines. The Vendor shall participate in regular project meetings and submit written bi-weekly status reports to LAHD, detailing progress, issues, and any changes to the project scope or schedule.

III. PAYMENT

§301. Compensation and Method of Payment

- A. The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, an amount not to exceed **Four Million Eight Hundred Fifty-Four Thousand Five Hundred Fifty-Two Dollars (\$4,854,552)**, according to Exhibit C – Professional Fee Schedule. The foregoing amount represents the total maximum compensation to be paid by the City to Contractor for services to be performed as designated by this Agreement. Compensation beyond the first year of the Agreement Term is subject to funding availability and the Contractor's performance. The Contractor understands and agrees that execution of this Agreement does not guarantee that any or all funds will be expended.
- B. The Contractor shall submit monthly invoices to LAHD. Each monthly invoice shall:
 - a) be submitted on the Contractor's letterhead;
 - b) include the name, hours, rate of pay for all personnel to be paid;
 - c) include evidence of the completed project;
 - d) include supporting documentation for all approved purchases of equipment or supplies; and
 - e) be accompanied by a statement detailing the work completed for the month. All expenses for travel must receive prior approval from the City and must be documented and will be paid only in conformance with City policies and procedures. Funds shall not be released until the City has approved the work received and is satisfied with the documentation included in the invoice.
- C. It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.

- D. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the contractor for any costs incurred for invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time. All invoices must be signed by an officer of the Contractor under penalty of perjury that the information submitted is true and correct.
- E. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and shall warrant that any applicable discounts have been included in the costs to the City.
- F. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

IV. STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

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

§402. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and the City, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Agreement shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. The Contractor shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Agreement with no additional compensation paid to the Contractor.

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

If any part, term or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected.

§403. Time of Effectiveness

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

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

§404. Integrated Contract

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter of this Agreement, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for in the provisions of §405 herein.

§405. Amendment

All amendments to this Agreement shall be in writing and signed and approved pursuant to the provisions of §403.

§406. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Agreement, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of the Contractor shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both the Contractor and Subcontractor, and without any fault or negligence of either of them. In such case, the Contractor shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the

Contractor to perform timely. As used in this Agreement, the term “Subcontractor” means a subcontractor at any tier.

In the event the Contractor’s delay or failure to perform arises out of a Force Majeure Event, the Contractor agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

§407. Waiver

A waiver of a default of any part, term or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party’s performance after the other party’s default shall not be construed as a waiver of that default.

§408. Suspension

At the City’s sole discretion, the City may suspend any or all services provided under this Agreement by providing the Contractor with written notice of suspension. Upon receipt of the notice of suspension, the Contractor shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to the City until the City gives written notice to recommence the services.

§409. Termination

A. Termination for Convenience

The City may terminate this Agreement for the City’s convenience at any time by providing the Contractor thirty days written notice. Upon receipt of the notice of termination, the Contractor shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. The City shall pay the Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by the Contractor to effect the termination. Thereafter, the Contractor shall have no further claims against the City under this Agreement. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights the City is entitled to, shall become City property upon the date of the termination. The Contractor agrees to execute any documents necessary for the City to perfect, memorialize, or record the City’s ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in §406, if the Contractor fails to perform any of the provisions of this Agreement or so fails to make progress as to endanger timely performance of this Agreement, the City may give the Contractor written notice of the default. The City’s default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of the City. Additionally, the City’s default notice may offer the Contractor an opportunity to provide the City

with a plan to cure the default, which shall be submitted to the City within the time period allowed by the City. At the City's sole discretion, the City may accept or reject the Contractor's plan. If the default cannot be cured or if the Contractor fails to cure within the period allowed by the City, then the City may terminate this Agreement due to the Contractor's breach of this Agreement.

2. If the default under this Agreement is due to the Contractor's failure to maintain the insurance required under this Agreement, the Contractor shall immediately: (1) suspend performance of any services under this Agreement for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and the Contractor's obligation to suspend performance of services. The Contractor shall not recommence performance until the Contractor is fully insured and in compliance with the City's requirements.
3. If a federal or state proceeding for relief of debtors is undertaken by or against the Contractor, or if the Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this Agreement.
4. If the Contractor engages in any dishonest conduct related to the performance or administration of this Agreement or violates the City's laws, regulations or policies relating to lobbying, then the City may immediately terminate this Agreement.
5. Acts of Moral Turpitude
 - a. The Contractor shall immediately notify the City if the Contractor or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If the Contractor or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, the City may immediately terminate this Agreement.
 - c. If the Contractor or a Key Person is charged with or indicted for an Act of Moral Turpitude, the City may terminate this Agreement after providing the Contractor an opportunity to present evidence of the Contractor's ability to perform under the terms of this Agreement.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault,

assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Agreement, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of the Contractor.

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

7. If, after notice of termination of this Agreement under the provisions of this section, it is determined for any reason that the Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to §409.A “Termination for Convenience”.

8. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. In the event that this Agreement is terminated, the Contractor shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Agreement within five working days of the termination.

§410. Independent Contractor

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

§411. Contractor’s Personnel

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

Contractor shall not use Subcontractors to assist in performance of this Agreement without the prior written approval of the City. If the City permits the use of Subcontractors, the Contractor shall remain responsible for performing all aspects of this Agreement and paying all Subcontractors. The City has the right to approve the Contractor’s

Subcontractors, and the City reserves the right to request replacement of any Subcontractor. The City does not have any obligation to pay the Contractor's Subcontractors, and nothing herein creates any privity of contract between the City and any Subcontractor.

§412. Assignment and Delegation

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

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

§413. Permits

The Contractor and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for the Contractor's performance of this Agreement. The Contractor shall immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to the Contractor's performance of this Agreement.

§414. Claims for Labor and Materials

The Contractor shall promptly pay when due all amounts owed 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 City property (including reports, documents, and other tangible or intangible matter produced by the Contractor hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Agreement.

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

For the duration of this Agreement, the Contractor shall maintain valid Business Tax Registration Certificate(s) as required by the City's Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

§416. Retention of Records, Audit, and Reports

The Contractor shall maintain all records, including records of financial transactions, pertaining to the performance of this Agreement, in their original form or as otherwise approved by the City. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by the City, (2) the expiration of this Agreement or (3) termination of this Agreement. The records will be subject to examination and audit by authorized City personnel or the City's representatives at any time. The Contractor shall provide any reports requested by the City regarding performance

of this Agreement. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, the Contractor may, upon the City's written approval, submit the required information to the City in an electronic format, e.g. USB flash drive, at the expiration or termination of this Agreement.

§417. Bonds

All bonds required by the City shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

§418. Indemnification

Except for the active negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, the Contractor shall defend, indemnify, and hold harmless the City and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including the 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 an act, error, or omission by the Contractor, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement. This provision will survive expiration or termination of this Agreement.

§419. Intellectual Property Indemnification

The Contractor, at its own expense, shall defend, indemnify, and hold harmless the City, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by the Contractor, or its Subcontractors, in performing the work under this Agreement; or (2) as a result of the City's actual or intended use of any Work Product (as defined in §421) furnished by the Contractor, or its Subcontractors, under this Agreement. The rights and remedies of the City provided in this section shall not be exclusive and are

in addition to any other rights and remedies provided by law or under this Agreement. This provision will survive expiration or termination of this Agreement.

§420. Intellectual Property Warranty

The Contractor represents and warrants that its performance of all obligations under this Agreement does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

§421. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Agreement including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by the Contractor or its Subcontractors under this Agreement (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of the City for its use in any manner the City deems appropriate. The Contractor hereby assigns to the City all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Agreement. The Contractor further agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

The Contractor agrees that a monetary remedy for breach of this Agreement may be inadequate, impracticable, or difficult to prove and that a breach may cause the City irreparable harm. The City may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude the City from seeking or obtaining any other relief to which the City may be entitled.

For all Work Products delivered to the City that are not originated or prepared by the Contractor or its Subcontractors under this Agreement, the Contractor shall secure a grant, at no cost to the City, for a non-exclusive perpetual license to use such Work Products for any City purposes.

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

Any subcontract entered into by the Contractor relating to this Agreement shall include this provision to contractually bind its Subcontractors performing work under this Agreement such that the City's ownership and license rights of all Work Products are preserved and protected as intended herein.

§422. Data Protection

- A. The Contractor shall protect, using the most secure means and technology that is commercially available, City-provided data or consumer-provided data acquired in the course and scope of this Agreement, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). The Contractor shall notify the City in writing as soon as reasonably feasible, and in any event within twenty-four hours, of the Contractor’s discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by the City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to the City’s satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with the City. At the City’s sole discretion, the City and its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with the City, its agents and law enforcement.
- B. If the City is subject to liability for any Data Breach or Security Incident, then the Contractor shall fully indemnify and hold harmless the City and defend against any resulting actions.

§423. Insurance

During the term of this Agreement and without limiting the Contractor's obligation to indemnify, hold harmless and defend the City, the Contractor shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit A hereto). The insurance must: (1) conform to the City’s requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit A hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. The Contractor shall comply with all Insurance Contractual Requirements shown on Exhibit A hereto. Exhibit A is hereby incorporated by reference and made a part of this Agreement.

§424. Best Terms

Throughout the term of this Agreement, the Contractor, shall offer the City the best terms, prices, and discounts that are offered to any of the Contractor’s customers for similar goods and services provided under this Agreement.

§425. Warranty and Responsibility of Contractor

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

§426. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Agreement is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. The Contractor shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Agreement by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Agreement by reference and will be known as the "Equal Employment Practices" provisions of this Agreement.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Agreement by reference and will be known as the "Affirmative Action Program" provisions of this Agreement.

Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§427. Child Support Assignment Orders

The Contractor shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, the Contractor shall fully comply with all applicable State and Federal employment reporting requirements. Failure of the Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of the Contractor to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the Contractor under this Agreement. Failure of the Contractor or principal owner to cure the default within 90 days of the notice of default will subject this Agreement to termination for breach. Any

subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§428. Living Wage Ordinance

The Contractor shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. The Contractor further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§429. Service Contractor Worker Retention Ordinance

The Contractor shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§430. Access and Accommodations

The Contractor represents and certifies that:

- A. The Contractor shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. The Contractor shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. The Contractor shall provide reasonable accommodation upon request to ensure equal access to City-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Agreement are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

The Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§431. Contractor Responsibility Ordinance

The Contractor shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

§432. Business Inclusion Program

Unless otherwise exempted prior to bid submission, the Contractor shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Agreement. The Contractor shall utilize the Regional Alliance Marketplace for Procurement (“RAMP”) at <https://www.rampla.org/s>, to perform and document outreach to Minority, Women, and Other Business Enterprises. The Contractor shall perform subcontractor outreach activities through RAMP. The Contractor shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall the Contractor reduce their level of effort, without prior written approval of the City.

§433. Slavery Disclosure Ordinance

The Contractor shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§434. First Source Hiring Ordinance

The Contractor shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§435. Local Business Preference Ordinance

The Contractor shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§436. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with the City for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

§437. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Agreement is valued at \$100,000 or more and requires approval by an elected City official, the Contractor, the Contractor’s principals, and the Contractor’s Subcontractors expected to receive at least \$100,000 for performance under

the Agreement, and the principals of those Subcontractors (the “Restricted Persons”) shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the City to terminate this Agreement and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected City officials or candidates for elected City office for twelve months after this Agreement is signed. Additionally, a Contractor subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any Contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Agreement:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #_____. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“City”) officials and candidates for elected City office for twelve months after the City contract is signed. You are required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

§438. Contractors’ Use of Criminal History for Consideration of Employment Applications

The Contractor shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§439. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Agreement. The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any

services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until the City appropriates additional funds for this Agreement.

§440. Compliance with Identity Theft Laws and Payment Card Data Security Standards

The Contractor shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. The Contractor also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, the Contractor shall verify proper truncation of receipts in compliance with FACTA.

§441. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, the Contractor shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by the City. The Contractor is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of the Contractor working on premises to pass a fingerprint and background check through the California Department of Justice at the Contractor’s sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

§442. Possessory Interests Tax

Rights granted to the Contractor by the City may create a possessory interest. The Contractor agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, the Contractor shall pay the property tax. The Contractor acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

§443. Confidentiality

All documents, information, City Data (as that term is defined in §422), and materials provided to the Contractor by the City or developed by the Contractor pursuant to this Agreement (collectively “Confidential Information”) are confidential. The Contractor shall

not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein either orally or in writing, to any person or entity, except as authorized by the City or as required by law. The Contractor shall immediately notify the City of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Agreement.

§444. Contractor Data Reporting

If the Contractor is a for-profit, privately owned business, the Contractor shall, within 30 days of the effective date of the Agreement and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Agreement), report the following information to the City via the Regional Alliance Marketplace for Procurement (“RAMP”) or via another method specified by the City: the Contractor’s and any Subcontractor’s annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner (“Contractor/Subcontractor Information”). The Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by the City.

§445. Conflict of Interest

A. No City-funded Employees as Board Members

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

B. Code of Conduct

1. The City requires that all Contractors/Subcontractors adopt a Code of Conduct which at minimum reflects the constraints discussed in LAHD Directive Number FY12-0001 (“Directive FY12-0001”). A copy of Directive FY12-0001 has been provided to Contractor by LAHD and Contractor acknowledges receipt of Directive FY12-0001. No Agreements and/or Amendments will be executed without Contractor’s adoption of this Code of Conduct.
2. Further, the City requires compliance with the following conflict of interest requirements for all City funded contractors.

C. Conflict of Interest

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.
3. Definitions:
 - a. 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, and daughter-in-law.
 - b. The term "financial or other interest" includes, but is not limited to:
 - (1) 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.
 - (2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent (5%) or more; ownership of five percent (5%) or more of the stock; employment in a managerial capacity; or membership on the Board of Directors or governing body.
 - c. 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 (1) year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any 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 (1) year thereafter.
- K. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project, and shall substitute the term “subcontractor” for the term “Contractor” and “sub-subcontractor” for “Subcontractor”.
- L. Unless an exemption/waiver to Directive FY12-0001 was requested by Contractor and approved by LAHD in writing prior to the execution of this Agreement, Contractor shall be deemed to have adopted the Code of Conduct set forth within Directive FY12-0001 that meets the foregoing requirements upon execution of this Agreement, and Contractor shall comply with the Code of Conduct throughout the term of this Agreement.

§446. Disclosure of Border Wall Contracting Ordinance

The Contractor shall comply with Los Angeles Administrative Code Section 10.50, ‘Disclosure of Border Wall Contracting.’ The City may terminate this Agreement at any time if the City determines that the Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in Section 10.50.

§447. City’s Additional Remedies

The Contractor acknowledges and agrees that nothing contained in this Agreement is, represents, or is intended to be construed as: a release, compromise, settlement, or waiver by the City of any cause of action that the City may have against the Contractor. The City reserves its rights in full, including, but not limited to, the right to bring any claim, cause

of action, or request for reimbursement against the Contractor in relation to this Agreement and other transactions between the City and the Contractor.

§448. Payment Does Not Imply Acceptance of Work

The granting of any payment by the City, or the receipt thereof by the Contractor, in no way lessens the liability of the Contractor to replace unsatisfactory work, equipment, or materials although the unsatisfactory character of this work, equipment or materials may not have been apparent or detected at the time the payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the City and upon rejection must be replaced by the Contractor without delay.

§449. Work Not in Scope of Services

The Contractor shall immediately notify LAHD in writing of any work that is requested to be performed that is outside of the original scope of work covered by this Agreement and §202 above. If it is determined that the request is outside of the scope of work, the Contractor shall not perform the requested work unless and until (i) the City's designated contract administrator approves the request in writing and authorizes the use of any contingency funds for the work, and (ii) an amendment providing for an adjustment in the Contractor's compensation, and the scope of work, is approved and executed by both parties.

§450. Compliance with Current Applicable Safety Protocols and Laws

The Contractor, and any of its subcontractors, if applicable, shall comply with any and all safety protocols, current laws, regulations, and public health orders to ensure the health and safety of both the Contractor's employees, any subcontractors, and the public.

V. DATA SECURITY AND PRIVACY

§501. Data Ownership

As between the parties, City is the sole and exclusive owner of all data and information provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. The Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. The Contractor shall not possess or assert any lien or other right against, or to City Data. City may request an export of City Data stored within the systems or held by the Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants the Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term

of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

§502. Data Protection

- A. The Contractor shall use best efforts, but in no event less than information security industry standard protections, for the type of data at issue, to prevent unauthorized access to, or use, disclosure, or exposure of City Data. To this end, the Contractor shall safeguard the confidentiality, integrity, and availability of City Data, including all information obtained by the Contractor under this Agreement.
- B. The Contractor shall implement and maintain appropriate administrative, technical, and organization security measures to safeguard against unauthorized access, disclosure, or theft of City Data or a candidate's personal information. Such security measures shall be in accordance with recognized industry best practices and the standard of care imposed by local, state and federal laws and regulations relating to the protection of such information. In the absence of any legally imposed or industry standard of care, the Contractor shall safeguard City Data using measures no less stringent than the measures the Contractor applies to the Contractor's own personal data and non-public data of similar kind.
- C. Unless otherwise expressly agreed to by City in writing, the Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.
- D. At no time may any content or City processes be copied, disclosed, or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include City and involve City approval.
- E. At any time during the term of this Agreement, at City's written request, the Contractor shall, and shall instruct all of its employees and subcontractors to, promptly return to City all copies, whether in written, electronic, or other form of media, of City Data in its possession, or securely dispose of all such copies, and certify in writing to City that such City Data has been returned to City or disposed of securely. The Contractor shall comply with all reasonable directions provided by City with respect to the return or disposal of City Data. Except as set forth in this provision and the Scope of Services, the Contractor's obligations to retain City Data during the term of this Agreement and following (1) final payment made by City, (2) the expiration of this Agreement, or (3) the termination of this Agreement, are governed by §416, above. After the Contractor has retained City Data for the period(s) in §416, above, the Contractor shall securely dispose of all City Data, and certify in writing to City, within 30 days of the expiration of Retention Period, that City Data has been securely disposed of.

§503. Compliance with Privacy Laws

The Contractor shall ensure that the Contractor's performance of the Contractor's obligations under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, including, but not limited to, laws relating to consent to make

visual and audio recordings of individuals and consent to collect information from individuals. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and the Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and the Contractor shall complete and deliver any documents necessary to compliance.

§504. Confidential Information

The Contractor understands that all original material, and personal information disclosed by the City or third parties whether written or readable by machine, including written or recorded data, documents, graphic displays, reports, and other documentation or other materials which contain information relating to the Contractor's performance hereunder are considered confidential property of City. The Contractor understands the sensitive nature of the above and therefore agrees that neither its officers, partners, employees, agents, contractors or subcontractors will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, nor other materials except as provided herein or as authorized, in writing, by City's representative. This section shall remain in effect after the termination of this Agreement. The provisions of this subsection shall survive expiration or termination of this Agreement.

§505. Provision of Data

Upon termination of this Agreement for any cause or reason (including City's breach), the Contractor shall provide City with a copy of all City Data in the Contractor's possession in a mutually agreeable machine-readable format.

§506. Data, Development, and Access-Point Location

Storage of City Data shall be located in the continental United States of America. The Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at the Contractor's continental United States of America headquarters or data centers. The Contractor shall neither access, nor allow a third party to access systems housing City Data from any location outside of the continental United States of America. Notwithstanding anything to the contrary in this Agreement, and only after obtaining prior written approval of City, the Contractor may grant personnel and contractors located outside the continental United States remote read-only access to City Data only as required to provide proctoring and other technical support in relation to the services contemplated herein. The Contractor shall obtain the City's prior written approval for each of its employees, contractors, officers, partners, consultants, principals, agents, affiliates, or subsidiaries who are essential for the purpose of providing the services under this Agreement ("Authorized Persons"). When the Contractor submits a request for City's prior written approval, it shall describe the proposed Authorized Person's role and the necessity for the proposed Authorized Person to access City Data. The Contractor shall at all times cause such Authorized Persons to abide strictly by the Contractor's obligations under this Agreement

and the industry standards for information security. The Contractor hereby agrees that only Authorized Persons who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this Agreement will access City Data, and will do so only for the purpose of enabling the Contractor to perform its obligations under this Agreement.

§507. Data Breach

The Contractor shall protect City Data using the most secure means and technology that is consistent with industry standards for the type of data at issue. The Contractor shall notify City as soon as reasonably feasible, but in any event, within twenty-four (24) hours in writing and telephonically of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. If directed by City, the Contractor shall retain an independent third party to conduct the investigation at Contractor's sole cost. At City's sole discretion, City and/or its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with City, its agents and law enforcement. The Contractor is responsible for all costs associated with a Data Breach or Security Incident, including, if directed by City, the provision of identity protection services to individuals affected by the Security Incident. If required by law or directed by City, the Contractor will be responsible for notifying individuals impacted by the Security Incident or Data Breach, with City having final approval of the content of the notification. In the event City incurs any costs related to the breach referenced above, City will seek reimbursement from Contractor or reduce the Contractor's invoice for costs associated with breach of security.

§508. Data Breach Liability

If City is subject to any claims relating to any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless City and defend City against any such claims, including reimbursement of any costs and attorney fees incurred by City relating to those claims. This obligation is in addition to any of the Contractor's other indemnification obligations in this Agreement.

§509. Firewalls and Access Controls

A. Access Precautions. The Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:

1. Prevent anyone other than City, the Contractor, and authorized City or the Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data;
 2. Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and
 3. Prevent the disclosure of City and the Contractor passwords and other access control information to anyone other than authorized City personnel.
- B. Security Best Practices. The Contractor shall implement the following security best practices with respect to any service provided:
1. Least Privilege: The Contractor shall authorize access only to the minimum amount of resources required for a function.
 2. Separation of Duties: The Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.
 3. Role-Based Security: The Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.
- C. Access Restrictions. The Contractor shall restrict the use of, and access to, administrative credentials for City accounts and the Contractor's systems to only those of the Contractor's employees and other agents whose access is essential for the purpose of providing the services of this Agreement. The Contractor shall require these personnel to log on using an assigned username and password when administering City accounts or accessing City Data. These controls must enable the Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. The Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. The Contractor will implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. The Contractor will disable user accounts after at most ten (10) consecutive invalid authentication attempts.

§510. Right of Audit by City

Without limiting any other audit rights of City, upon reasonable advance notice of at least thirty (30) days, City may review the Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this Agreement. At City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14) days of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program. These audit rights are in addition to any other audit rights set forth in §416, above.

§511. Written Information Security Policy

The Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively “Information Security Policy”), and communicate the Information Security Policy to all of its respective employees and contractors in a relevant, accessible, and understandable form. The Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks. Within five (5) business days of City’s request, the Contractor shall make available for City’s review the Contractor’s Information Security Policy and any related System and Organization Controls (SOC) audits, information security certifications, or other evidence that the Contractor has in place appropriate policies and procedures regarding information protection and security.

§512. Change in Service

The Contractor shall notify City of any changes, enhancement, and upgrades to the Contractor’s systems, or changes in other related software services, as applicable, which can impact the security of the services.

VI. ENTIRE AGREEMENT

§601. Complete Agreement

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

§602. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

§603. Ratification Clause

The Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted according to the City’s discretion.

§604. Number of Pages and Attachments

This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes **thirty-nine (39)** pages and **three (3)** Exhibits which constitute the entire understanding and agreement of the parties. Alternatively, this

Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the Regional Alliance Marketplace for Procurement (RAMP) website.

[Remainder of page left intentionally blank.]

[Signatures begin on next page.]

DRAFT

VI. SIGNATURE PAGE

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

APPROVED AS TO FORM: Executed this ____ day of _____, 2026

HYDEE FELDSTEIN SOTO, City Attorney For: THE CITY OF LOS ANGELES

By _____
Deputy/Assistant City Attorney
TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

Date _____
By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

ATTEST: By _____
PATRICE Y. LATTIMORE, City Clerk Luz C. Santiago
Assistant General Manager

By _____
Deputy City Clerk Executed this ____ day of _____, 2026

Date _____ For: Exygy, Inc., a California for profit corporation

By _____
Eric Lam
Chief Executive Officer

By _____
Keenyn Mcfarlane
Chief Financial Officer

City Business License Number: 0003401460-0001-6
Internal Revenue Service Taxpayer Identification Number: 47-2742894
Council File Number: ##-####; Date of Approval: ##/##/2026
Said Agreement is Number C-201583 of City Contracts

EXHIBIT A
 Form Gen 146 (Rev. 6/12)
Required Insurance and Minimum Limits

Name: Exygy, Inc. Date: 5/8/2025

Agreement/Reference: Comprehensive Housing Search and Application System for the Affordable and Accessible Housing Registry

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

	Limits
<input checked="" type="checkbox"/> Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u> EL \$ <u>1,000,000</u>
<input checked="" type="checkbox"/> Waiver of Subrogation in favor of City <input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act	
<input checked="" type="checkbox"/> General Liability <u>City of Los Angeles must be named as an additional insured party</u>	\$ <u>1,000,000</u>
<input checked="" type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Sexual Misconduct <input type="checkbox"/> Fire Legal Liability <input type="checkbox"/> _____	
<input type="checkbox"/> Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)	\$ _____
<input checked="" type="checkbox"/> Professional Liability (Errors and Omissions) Discovery Period <u>12 Months After Completion of Work or Date of Termination</u>	\$ <u>1,000,000</u>
<input type="checkbox"/> Property Insurance (to cover replacement cost of building - as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage <input type="checkbox"/> Boiler and Machinery <input type="checkbox"/> Flood <input type="checkbox"/> Builder's Risk <input type="checkbox"/> Earthquake <input type="checkbox"/> _____	\$ _____
<input checked="" type="checkbox"/> Cyber Insurance	\$ <u>1,000,000</u>
<input checked="" type="checkbox"/> Discovery Period <u>12 Months After Completion of Work or Date of Termination</u>	
<input type="checkbox"/> Surety Bonds – Performance and Payment (Labor and Materials) Bonds	100% of the contract price
<input type="checkbox"/> Crime Insurance	\$ _____

Other: _____

EXHIBIT A
INSURANCE CONTRACTUAL REQUIREMENTS

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

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

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

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

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

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

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

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

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

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

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

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, §403, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

EXHIBIT B
NOTICE OF PROHIBITION AGAINST RETALIATION

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(English\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(English)%2005.2024.pdf) and in Spanish at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(Spanish\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(Spanish)%2005.2024.pdf)). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

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

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

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

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

For more information, or to obtain a complaint form, please contact the Equal Employment Opportunity Enforcement Section at bca.eoe@lacity.org.

CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
BCA.EEOE@LACITY.ORG

EXHIBIT C
PROFESSIONAL FEE SCHEDULE

Services shall be compensated according to the following fee schedule:

Milestone	Description	Cost
Phase 1 - Initial Launch (9 months)	Project Kickoff, Initial Discovery, Platform Set Up and Initial Customizations for an MVP Launch	
	3 months - Kickoff, Discovery, Infrastructure	\$295,500
	3 months - Foundation	\$295,500
	3 months - Initial Customizations to Launch	\$295,500
Phase 1 Costs		\$886,500
Phase 2 - Additive Features (9 months)	Additive Feature Level Epics including Agile Discovery, Design, Development as well as Technical Support & Maintenance, Stakeholder Facilitation	
	3 months - Angeleno Integration	\$295,500
	3 months - Home Ownership	\$295,500
	3 months - Data Integrations and Reporting	\$295,500
Phase 2 Costs		\$886,500
Phase 3 - Iterative Improvements and Maintenance Planning (6 months)	Iterative product improvements across portal experiences and long term maintenance and sustainability planning	\$591,000
Phase 3 Costs		\$591,000
Total Deliverable Costs		\$2,364,000

CITY OF LOS ANGELES
THIRD AMENDED AND RESTATED AGREEMENT
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)
PROGRAM

Agreement No.: C-146312

Program Title: Housing Opportunities for Persons with AIDS (HOPWA)

Project: Information Technology Professional Services

Contractor: Satwic Inc.

Type of Organization: Corporation

State Corporate No.: C2191757

Unique Entity Identification Number: YMRHHPJ7GNZ5

CFDA Number: 14.241

Federal Award Identification Number (FAIN): CAH25-F005

Federal Award Date: TBA

Research and Development Award (Yes or No): No

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EXHIBITS

- Exhibit A Standard Provisions for City Contracts
- Exhibit B Required Insurance and Minimum Limits
Instructions and Information on Complying with City Insurance Requirements
- Exhibit C Certification Regarding Debarment, Suspension, Ineligibility and Voluntary
Exclusion Lower Tier Covered Transactions
- Exhibit D Certification Regarding Lobbying
- Exhibit E Certification Regarding Notice of Prohibition Against Retaliation
- Exhibit F Management Representation Statement
- Exhibit G Subcontract and Procurement Procedures
- Exhibit H Professional Fee Schedule

THIRD AMENDED AND RESTATED
AGREEMENT NUMBER C-146312 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
SATWIC INC.

THIS THIRD AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into by and between the City of Los Angeles (“City”), a municipal corporation, and Satwic Inc. (“Contractor”), a California for-profit corporation (hereinafter collectively referred to as the “Parties”).

RECITALS

WHEREAS, the Los Angeles Housing Department (“LAHD”), is charged with the development of citywide housing policy and support of safe and livable neighborhoods through the promotion, development and preservation of decent and affordable housing; and

WHEREAS, the City 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 which is the subject of this Agreement has been established by the City as one of the above-described programs, and has been funded in the LAHD budget by the U.S. Department of Housing and Urban Development, hereinafter called the Grantor/HUD, pursuant to the Housing Opportunities for Persons with AIDS (“HOPWA”) program and other eligible administered funds, which has been approved by the Los Angeles City Council and the Mayor; and

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

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

WHEREAS, on May 8, 2023, the City released a Request for Proposals (RFP) to select contractors to provide information technology professional services (hereinafter, the “Services”), and the Contractor applied to and was awarded a contract under the RFP; and

WHEREAS, on June 18, 2024 and June 27, 2024, City Council and the Mayor approved the execution of a contract with the Contractor to provide the Services for an amount not to exceed Four Million Seven Hundred Sixty-Seven Thousand One Hundred Twenty Dollars (\$4,767,120), for a term of one (1) year commencing on July 1, 2024 and ending on June 30, 2025 (Council File

Number 24-0500), pursuant to which the Parties entered into Contract Number C-146312, executed by the City Clerk on October 3, 2024 (“Original Agreement”); and

WHEREAS, on November 5, 2024 and November 19, 2024, City Council and the Mayor approved an amendment to the Original Agreement to add additional funds in the amount of Two Hundred Ninety-Eight Thousand Six Hundred Dollars (\$298,600) for a new contract total of Five Million Sixty-Five Thousand Seven Hundred Twenty Dollars (\$5,065,720) (Council File Number 21-00042-S8), pursuant to which the Parties entered into the First Amended and Restated Professional Services Agreement, executed by the City Clerk on January 6, 2025 (“First Amended and Restated Agreement”), which amended, restated and replaced in its entirety the Original Agreement; and

WHEREAS, on June 24, 2025 and July 3, 2025, City Council and the Mayor approved an amendment to the First Amended and Restated Agreement to (a) add additional funds in the amount of Four Million Three Hundred Fifteen Thousand Seventy-Five Dollars (\$4,315,075) for a new contract total of Nine Million Three Hundred Eighty Thousand Seven Hundred Ninety-Five Dollars (\$9,380,795) and (b) extend the contract term by one (1) year through June 30, 2026 (Council File Number 25-0525), pursuant to which the Parties entered into the Second Amended and Restated Professional Services Agreement, executed by the City Clerk on August 5, 2025 (“Second Amended and Restated Agreement”), which amended, restated and replaced in its entirety the First Amended and Restated Agreement; and

WHEREAS, the City and the Contractor are desirous of further amending and restating the Second Amended and Restated Agreement, as authorized by the action of the Los Angeles City Council and the Mayor (Council File Number ##-#### adopted by City Council on Month ##, 2026 and concurred by the Mayor on Month ##, 2026), which authorizes the General Manager of LAHD to amend and restate Contract Number C-146312 for the purpose(s) of: (a) adding additional funds in the amount of **One Million Two Hundred Thirty-Six Thousand Seven Hundred Sixty Dollars (\$1,236,760)** for a new total of **Ten Million Six Hundred Seventeen Thousand Five Hundred Fifty-Five Dollars (\$10,617,555)**, and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Agreement completely amends, restates, and replaces the Second Amended and Restated Agreement in its entirety.

[Remainder of page left intentionally blank]

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

I. INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

A. The City of Los Angeles, a municipal corporation, having its principal office at:

200 North Spring Street
Los Angeles, California 90012

B. The Contractor, known as Satwic Inc., a California for-profit corporation, having its principal office at:

177 East Colorado Boulevard, Suite 200
Pasadena, California 91105

§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:

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

Tiena Johnson Hall, General Manager
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

With copies to:

Kim Ly, Director, Systems Division
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

B. The representative of the Contractor shall be:

Subbaiah Cherumandanda, President
Satwic Inc.
177 East Colorado Blvd., Suite 200
Pasadena, CA 91105
(818) 230-2181
sales@satwic.com

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. 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 accordance with this section, within five (5) working days of said change.

§103. Conditions Precedent to Execution of This Agreement

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

- A. Compliance and completion of the Disclosure Ordinances Affidavit setting forth the requirements of the Slavery Disclosure Ordinance (SDO) in accordance with PSC-33 of Exhibit A – Standard Provisions for City Contracts, attached hereto and made a part hereof, and §§10.41 and 10.50 of the LAAC, respectively.
- B. Proof of insurance in accordance with §404 of this Agreement and attached hereto as Exhibit B and made a part hereof.
- C. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions as required by Executive Orders 12549 and 12689, and 29 C.F.R. Parts 97.35 and 98.510, in accordance with §406.A.1.a.(13) of this Agreement, and attached hereto as Exhibit C and made a part hereof.
- D. Certifications and Disclosures Regarding Lobbying in accordance with §406.A.1.a.(4)(b) of this Agreement, attached hereto as Exhibit D and made a part hereof. Contractor shall also 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 the information contained in any Disclosure Form previously filed by the Contractor.
- E. Certification Regarding Notice of Prohibition Against Retaliation, attached hereto as Exhibit E and made a part hereof, as it relates to the City’s Living Wage Ordinance (LWO), Service Contractor Worker Retention Ordinance (SCWRO) and Living Wage Policy in accordance with §409 of this Agreement and Los Angeles Administrative Code (LAAC) §10.37.5.
- F. Management Representation Statement fully executed in accordance with the City’s fiscal policies and attached hereto as Exhibit F and made a part of hereof.
- G. Certification of Compliance with Equal Benefits Ordinance (EBO)/Reasonable Measures Application for Equal Benefits Ordinance, in accordance with §411 of this Agreement and LAAC §10.8.2.1.

II. TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on **July 1, 2024** and end on **June 30, 2026**, with the option to extend for up to one (1) additional one-year term at the sole discretion of the City. Said term is subject to the provisions herein. Performance shall not commence until the Contractor has obtained the City's approval of the documents identified in §103 above, and meets the insurance requirements as required herein.

§202. Services to be Provided by the Contractor

- A. The Contractor shall provide contractual services which are supported by the work task schedule set forth in this section and provide itemized billing for services as per the Fee Schedule in Exhibit H. Exhibit H is attached hereto and incorporated herein by reference. All work is subject to prior City approval. Failure to receive approval may result in withholding compensation pursuant to §301.
- B. During the term of the Agreement, the Contractor may be called upon to identify, select and provide qualified staff to LAHD to complete a variety of projects, from application enhancement performed by one programmer analyst to application development and implementation performed by a team of information technology professionals.
- C. The Contractor shall provide services for the following projects, the scopes of which are subject to change based on the needs of the City:
 1. Code, Compliance and Rent Information System (CCRIS) – Development of CCRIS 2.0 to replace the existing version of CCRIS with newer technologies and add new business and technology requirements that are not supported by the current system.
 2. Billings Information Management Systems (BIMS) – Develop and enhance the following:
 - a. BIMS internal application upgrade;
 - b. Expose Application Programming Interface (API) so other software applications are able to programmatically obtain invoices and update ledgers via this API; and
 - c. Enhanced reporting - Develop visually compelling and easy-to-process charts and graphical reports by connecting various department's data sources including Billing Data, Code Inspection Data, and Rent Data.
 3. RENT System - Enhance the Rent System to be able to support following additional required components:
 - a. New Eviction Tracking System module for the United to House LA program (ULA);

- b. New Tenant Protection module (ULA);
- c. AB1482 and Just Cause;
- d. California Public Records Act (CPRA) module and data dashboard; and
- e. Develop new Point-of-Sale (POS) system to facilitate Counters for collecting fees and simplifying reconciliation.

4. Housing Information Management System (HIMS)/Affordable Housing Information System (AHIS)

Redesign and develop AHIS to replace the existing version of HIMS with newer technologies and add new business and technology requirements that are not supported by the current system.

- a. Define requirements of the new system;
- b. Streamline project development, loan management, and occupancy monitoring;
- c. Automate and streamline the compliance monitoring process and project draw process;
- d. Enhance reporting to provide visually compelling and easy-to-process charts and graphical reports to track housing development status;
- e. Upgrade the technology platform and relocate the system to the cloud; and
- f. Provide production support.

5. Homeless Management Information System (HMIS) – Enhancement and support for the new HMIS for the HOPWA Program.

- a. Case management and client record tracking to fulfill U.S. Housing and Urban Development (HUD) Department’s record keeping requirement; and
- b. Collect data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness

6. Accessible Housing Program (AcHP) – Enhance the AcHP System to be able to support additional required components:

- a. Enhance the internal staff portal by extending its functionality, optimizing its performance, and integrating it with other systems to improve overall efficiency;
- b. Enhance the AcHP reporting system by expanding its capabilities and creating visually appealing and easily comprehensible charts and graphical reports that facilitate effective progress tracking; and
- c. Optimize the user experience of the affordable and accessible housing registry website by extending the site's coverage to include new properties, and implementing enhancements to improve overall usability and accessibility.

D. Types of Services

The types of services to be performed by the Contractor include one or more of the following:

1. Design, develop, install, and support computer applications that enhance the efficiency and effectiveness of the LAHD operations and ensure the effectiveness of overall systems performance. Application projects include existing and unexpected new projects due to new ordinances, court mandates, or departmental needs;
2. Design, develop, implement, and maintain workgroup and enterprise databases, data administration and management processes that ensure the availability, integrity and efficient integration of data in applications;
3. Perform business and systems analyses to facilitate and coordinate the development of technology solutions to departmental business and operational requirements and evaluate technology alternatives;
4. Design, develop, install, administer and support stability and efficiency of the more complex control software and network systems; plan, design, implement and configure large multi-segmented local and wide area networks; and manage and optimize control and network system performance and interoperability; and
5. Design, develop, implement, and maintain business intelligence systems solutions, including integration with databases and data warehousing.

E. Additional Requirements

1. The Contractor shall ensure that employees assigned to LAHD to perform services under this Agreement (“Contractor Staff”) have the computer hardware, antivirus software, and internet connectivity necessary to perform the services. This includes having a laptop or desktop computer with a camera. The internet connection shall have a minimum speed of 300 Mbps. LAHD shall supply a remote access machine equipped with the following software: Visual Studio and MSSQL, PowerBi, Microsoft Office, Adobe Acrobat Professional, and Google products: Google Drive, Google Docs, Google Sheet, Google Meet, and Gmail.
 - a. LAHD will not provide hardware.
 - b. Minimum hardware requirements:
 - 1) CPU - AMD Ryzen 5700 or above or Intel i5 and above
 - 2) RAM - 16 GB
 - 3) Hard drive space - Minimum of 500 GB. For software developers who need to load SQL databases, minimum of 1 TB is recommended

- 4) Operating System - Windows 10 or 11 (preferred), or MacOS 13 or 14 (preferred)
2. Contractor Staff shall adhere to LAHD's designated work hours and seek approval from their LAHD manager for any deviations. LAHD operates on a 5-day, 40-hour work week, Monday through Friday, beginning between 7 am to 9 am Pacific Time and concluding between 4 pm to 6 pm Pacific Time, with a lunch break ranging from 30 minutes to 1 hour ("LAHD work hours"). Deviations from this schedule are permissible with LAHD manager approval.
3. Contractor Staff shall record their daily attendance at the beginning and end of each workday.
4. Contractor Staff shall attend all meetings to which they are invited. Any absence from meetings must be approved in advance by their LAHD manager.
5. Contractor Staff shall turn on their camera for meetings as necessary or as requested by LAHD management.
6. Contractor Staff shall obtain approval for any outside employment, and are not permitted to engage in outside employment during LAHD work hours.
7. Contractor Staff shall be accessible during LAHD work hours and is required to respond to chats within 10 minutes.
8. Contractor Staff shall request and receive approval for all leave from their LAHD manager. Once approved, Contractor Staff shall update their calendar and set up an "out of office" notification. Unauthorized leave may result in the Contractor Staff's termination from providing further services under this Agreement.
9. Contractor Staff shall provide documentation of their absence upon request by their LAHD manager, usually required for absences lasting two or more consecutive days.

III. PAYMENT

§301. Compensation and Method of Payment

- A. The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, an amount not to exceed **Ten Million Six Hundred Seventeen Thousand Five Hundred Fifty-Five Dollars (\$10,617,555)**,

according to Exhibit H, Professional Fee Schedule. The foregoing amount represents the total maximum compensation to be paid by the City to the Contractor for services to be performed as designated by this Agreement. The Contractor understands and agrees that execution of this Agreement does not guarantee that any or all funds will be expended.

- B. The Contractor shall submit monthly invoices to LAHD. Each monthly invoice shall:
 - a) be submitted on the Contractor's letterhead;
 - b) include the name, hours, rate of pay for all personnel to be paid;
 - c) include evidence of the completed project;
 - d) include supporting documentation for all approved purchases of equipment or supplies; and
 - e) be accompanied by a statement detailing the work completed for the month. All expenses for travel must receive prior approval from the City and must be documented and will be paid only in conformance with City policies and procedures. Any and all direct expenses must be documented and will be paid only in conformance with City policy and procedures. Funds shall not be released until the City has approved the work received and is satisfied with the documentation included in the invoice.
- C. Ten percent (10%) of the total compensation shall be withheld by the City until the Contractor has completed the requirements of this Agreement.
- D. It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.
- E. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the contractor for any costs incurred for invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time. All invoices must be signed by an officer of the Contractor under penalty of perjury that the information submitted is true and correct.
- F. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and shall warrant that any applicable discounts have been included in the costs to the City.
- G. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

IV. STANDARD PROVISIONS

The Contractor shall comply with the Standard Provisions for City Contracts, which is attached hereto as Exhibit A, and incorporated herein by this reference.

Any conflicts between the restrictive provisions contained in this Agreement and the Standard Provisions for City Contracts, Exhibit A, are to be resolved by applying the more restrictive provisions. The term “contract” as used in the Standard Provisions for City Contracts shall include this Agreement.

§401. Breach

Except for excusable delays, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

§402. 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, including compensation, against any employee or applicant for employment because of such person’s race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief. The Contractor shall comply with Executive Order 11246, entitled “Equal Employment Opportunity”, as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code §10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000) or more, Contractor shall comply with the Equal Opportunity Practices Provisions of the Los Angeles Administrative Code §10.8.3., in which event, said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of Twenty-Five Thousand Dollars (\$25,000), the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.4, in which event, said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action.
- C. Any subcontract entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.
- D. No person shall on the grounds of race, religion, national origin, ancestry, sex, sexual orientation, gender identity, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy,

childbirth and related medical conditions, citizenship, and political affiliation or belief be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this section, Title 24 Code of Federal Regulations Part 107 and §570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in situation as defined therein.

§403. Equal Employment Practices

- A. Unless otherwise exempt, this Agreement is subject to the equal employment practices provisions in §10.8.3 of the Los Angeles Administrative Code, as amended from time to time.
- B. During the performance of this contract, the Contractor agrees and represents that it will provide equal employment practices and the Contractor and each subcontractor hereunder will ensure that in his or her employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship and political affiliation or belief.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. The Contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- C. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration, including compensation, for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief.
- D. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the Contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis of compensation or because of race, religion, ancestry, national origin, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, domestic partner status, marital status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief.

- E. The Contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment practices provisions of City contracts. The Contractor shall, upon request, provide evidence that it has or will comply therewith.
- F. The failure of any Contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice, and an opportunity to be heard has been given to Contractor.
- G. Upon a finding duly made that the Contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City. In addition, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the Contractor is an irresponsible bidder or proposer pursuant to the provisions of §371 of the Charter of the City of Los Angeles. In the event of such a determination, the Contractor shall be disqualified from being awarded a contract with the City for a period of two years, or until the Contractor shall establish and carry out a program in conformance with the provisions hereof.
- H. Notwithstanding any other provision of this contract, the City shall have any and all other remedies at law or in equity for any breach hereof.
- I. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the Contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices, including, but not limited to:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning and other on-the-job training for occupations without approved apprenticeship programs;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.

- L. Any subcontract entered into by the Contractor, to the extent allowed hereunder, shall include a like provision for work to be performed under this Agreement. Failure of the Contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Contractor's Agreement with the City.

§404. Insurance

A. General Conditions

1. During the term of this Agreement and without limiting the Contractor's indemnification of the City, the Contractor shall provide and maintain at its own expense a program of insurance having coverage and limits customarily carried and actually arranged by the Contractor but not less than the amounts and types listed on the Required Insurance and Minimum Limits Sheet (Form Gen. 146) in Exhibit B hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles – Instructions and Information On Complying With City Insurance Requirements (Revised 05/18) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect the City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when such status is appropriate and available depending on the nature of applicable coverages; 2) provide the City at least thirty (30) days advance written notice of cancellation, material reduction in coverage or reduction in limits when such change is made at option of the insurer; 3) be primary with respect to the City's insurance plan. Except when the City is a named insured, the Contractor's insurance is not expected to respond to claims which may arise from acts or omissions of the City.
2. 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 RFP. These coverages and limits should be tailored to the individual subcontract. For City contracts, Required Insurance and Minimum Limits are set by the City Risk Management staff in the Office of the City Administrative Officer of the City of Los Angeles on the Form Gen. 146. Electronic submission is the preferred method of submitting your evidence of insurance documents. **KwikComply** is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in electronic format. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **KwikComply** at <http://kwikcomply.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf. Additional

instructions and information on complying with City insurance requirements can be found at: http://cao.lacity.org/risk/Submitting_proof_of_Insurance.pdf.

B. Modification of Coverage

The 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 the Contractor ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to the Contractor, the City agrees to negotiate additional compensation proportional to the increased benefit to the City.

C. Failure to Procure Insurance

1. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management, prior to the inception of any operations or tenancy by the Contractor. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by the City. Non-availability or non-affordability must be documented by a letter from the 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.
2. Within the foregoing constraints, the 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 the City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect the City's interests and pay any and all premiums in connection therewith and recover all monies so paid from the Contractor.

D. Workers' Compensation

1. By signing this Agreement, the Contractor hereby certifies that it is aware of the provisions of §3700 *et seq.* of the California Labor Code, which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.
2. A Waiver of Subrogation in favor of the City will be required when work is performed on City premises under hazardous conditions.

§405. Conflict of Interest

A. No City-funded Employees as Board Members

The City will not execute any agreements and/or amendments with contractors where an employee (an individual who is paid or receives any financial benefit from funds

from the Agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

B. Code of Conduct

1. The City requires that all contractors/subcontractors adopt a Code of Conduct which at minimum reflects the constraints discussed in LAHD Directive FY12-0001 (“Directive FY12-0001”). A copy of Directive FY12-0001 has been provided to the Contractor by LAHD and the Contractor acknowledges receipt of Directive FY12-0001. No agreements and/or amendments will be executed without the City’s approval of this Code of Conduct.
2. Further, the City requires compliance with the following conflict of interest requirements for all City funded contractors.

C. Conflict of Interest

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.
3. Definitions:
 - a. 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, and daughter-in-law.

- b. The term "financial or other interest" includes, but is not limited to:
 - (1) 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.
 - (2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent (5%) or more; ownership of five percent (5%) or more of the stock; employment in a managerial capacity; or membership on the Board of Directors or governing body.
- c. A subcontract is any agreement entered into by the 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 (1) year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any 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 the Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one (1) year thereafter.
- K. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project, and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor".
- L. Unless an exemption/waiver to Directive FY12-0001 was requested by the Contractor and approved by LAHD in writing prior to the execution of this Agreement, the

Contractor shall be deemed to have adopted the Code of Conduct set forth within Directive FY12-0001 that meets the foregoing requirements upon execution of this Agreement, and the Contractor shall comply with the Code of Conduct throughout the term of this Agreement.

§406. Compliance with State and Federal Statutes and Regulations

A. The Contractor warrants and certifies that it shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State, the County and the City of Los Angeles. The 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.

1. Statutes and Regulations Applicable to All Grant Contracts

a. The Contractor shall comply with all applicable requirements of state, federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. The Contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. The 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)

The Contractor shall comply with the provisions of 2 C.F.R. Part 200 which supersedes the OMB Circulars.

(2) Single Audit Act

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

(3) Americans with Disabilities Act

In implementing this Agreement, the Contractor represents and certifies that it will:

(a) Comply with the Americans with Disabilities Act, as amended, 42 U.S.C. §12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. §701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments; and California Government Code §11135.

- (b) Not discriminate in the provision of its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability.
 - (c) Provide reasonable accommodation upon request to ensure equal access and effective communication to all of its programs, services and activities.
 - (d) The Contractor represents and certifies that any construction for housing performed with funds provided through this Agreement will be done in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40.
 - (e) The Contractor represents and certifies that its buildings, and facilities used to provide services in accordance with this Agreement, are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.
 - (f) The Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement.
 - (g) The Contractor will require its subcontractors, if any, to include this language in any subcontract.
- (4) Political and Sectarian Activity Prohibited
- (a) 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.
 - (b) If this Agreement provides for more than \$100,000 in grant funds or more than \$150,000 in loan funds, the Contractor shall submit to the City a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with 31 U.S.C. §1352. A copy of the Certificate is attached hereto as Exhibit D. No funds will be released to the Contractor until the Certification is filed.
 - (c) The 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 the Contractor. The Contractor

shall require that the language of this Certification be included in the award documents for all subawards at all tiers and that all subcontractors shall certify and disclose accordingly.

(5) Records Inspection

- (a) At any time during normal business hours and as often as the City, the U.S. Comptroller General, the U.S. Department of Labor, the Auditor General of the State of California, and the Employment Development Department or their designees, 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, the U.S. Department of Labor, the Auditor General of the State of California, and the Employment Development Department or their designees, shall have the authority to audit, examine and make excerpts or transcripts from records, including all of the Contractor's invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.
- (b) The Contractor agrees to provide any reports requested by the City regarding performance of the Agreement.

(6) Records Maintenance

Records, either in a HIPAA compliant digital format or 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 or digital 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

- (a) The Contractor shall comply with the Federal and City standards in the award of any subcontracts, including but not limited to Exhibit G – Subcontract and Procurement Procedures. 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.
- (b) The 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.

(8) Labor

- (a) The 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).
- (b) The Contractor shall comply, as applicable, with the provision of the Davis-Bacon Act (40 U.S.C. §§276a-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.
- (c) Contractor shall and shall cause any contractor and/or subcontractor under this Agreement to comply, as applicable, with the provisions of California Labor Code section 1720 et seq. and any implementing regulations of the State of California Department of Industrial Relations related to the payment of prevailing wages on public works projects and California Civil Code section 9550 related to payment bonds for public works contracts in excess of \$25,000. Contractor shall and shall cause any contractor and/or subcontractor under this Agreement to keep and retain such records as are necessary to determine if such prevailing wages have been paid as required pursuant to Labor Code sections 1770-1780.
- (d) The Contractor shall comply with the Federal Fair Labor Standards Act (29 U.S.C. §201) regarding wages and hours of employment.
- (e) None of the funds shall be used to promote or deter Union/Labor organizing activities. (California Government Code Sec. 16645 *et seq.*)
- (f) The Contractor shall comply with the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328).

(9) Civil Rights

The 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. 88352, 42 U.S.C. §2000d, which prohibits discrimination on the basis of race, color, or national origin and its implementing regulations and as applied through Executive Order No.

13166, entitled “Improving Access to Services for Persons with Limited English Proficiency” (“LEP”), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by person with LEP as more fully described in HUD’s final guidance contained in Federal Register, Volume 72, No. 13 (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) §§503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794, 45 C.F.R., Part 84), which prohibits discrimination on the basis of handicaps; (d) The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §523 and §527 of the Public Health Service Act of 1912 (42 U.S.C. §290 dd-3 and §290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 *et seq.*), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; (j) the requirements of any other nondiscrimination statute(s) which may apply to the application; (k) P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance; (l) Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 U.S.C. 2000e); (m) the Americans with Disabilities Act, 42 USC §12101 *et seq.*, and the Americans with Disabilities Act Amendments Act, Pub.L.110-325; and (n) the Genetic Information Nondiscrimination Act of 2008 (GiNA) P.L. 110-233;

(10) Relocation Requirements

- (a) The 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.
- (b) The Contractor shall comply with §104(d) of the Housing and Community Development Act of 1974 (HCD Act). When applicable, §104(d)(2)(A)(iii) of the HCD Act provides relocation assistance to lower-income persons who are displaced as a direct result of the

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

(11) Environmental

- (a) The 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 §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) §508 of the Clean Water Act (33 U.S.C. §1368).
- (b) The 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.
- (c) The Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4822 *et seq.*) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- (d) The Contractor shall comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 *et seq.*) which restores and maintains the chemical, physical and biological integrity of the Nation’s waters.
- (e) The Contractor shall assure, pursuant to the Consolidated Appropriations Act of 2008 (P.L.110-161), grant funds must not be used in contravention of the federal buildings performance and reporting requirements of Executive Order No. 13123, part 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 *et seq.*) or subtitle A of title I of the Energy Policy Act of 2005 (including the

amendments made thereby), nor shall grant funds be used in contravention of §303 of the Energy Policy Act of 1992 (42 USC 13212).

- (f) The 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.
- (g) By signing this Agreement, the 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.

(12) Preservation

The Contractor shall comply with §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.*).

(13) Suspension and Debarment

The Contractor shall comply with Federal Register, Volume 68, Number 228, regarding Suspension and Debarment, and the Contractor shall submit a Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, Exhibit C attached hereto, required by Executive Orders 12549 and 12689, and any amendment thereto. Said Certification shall be submitted to the City concurrent with the execution of this Agreement and shall certify that neither the Contractor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department head or agency. The Contractor shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

(14) Drug-Free Workplace

The Contractor shall comply with the Federal Drug-Free Workplace Act of 1988, 41 USC §701, 28 C.F.R. Part 67, and the California Drug-Free Workplace Act of 1990, California Government Code §§ 8350-8357.

(15) Animal Welfare

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

(16) Faith Based Activities

The Contractor shall comply with 24 C.F.R. 570.200(j) regarding Faith Based Activities.

(17) Pro-Children Act of 1994

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

(b) The 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.

(18) American-Made Equipment Products

The 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.

(19) Mandatory Disclosures: The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for non-Compliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321).

B. Statutes and Regulations Applicable to This Particular Grant

1. The 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. The 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:

- a. 42 U.S.C. §12901-12912, and implementing regulations at 24 C.F.R. §574.3-655.
- b. The Contractor shall comply with the provisions of the California Child Abuse and Neglect Reporting Act, CA Penal Code §11164 *et seq.* and specifically §§11165.7, 11165.9, and 11166.

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

1. Equal Access to HUD-Assisted or Insured Housing

- a. Eligibility for HUD-Assisted or Insured Housing: A determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by the Federal Housing Administration (FHA) shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The terms “sexual orientation” and “gender identity” are defined in 24 C.F.R. §5.100.
- b. Prohibition of Inquiries on Sexual Orientation or Gender Identity: No owner or administrator of HUD-assisted or HUD-insured housing, approved lender in an FHA mortgage insurance program, nor any (or any other) recipient or subrecipient of HUD funds may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD- assisted housing or housing whose financing is insured by HUD, whether renter- or owner- occupied, for the purpose of determining eligibility for the housing or otherwise making housing available.
 - (1) This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit an individual from voluntarily self-identifying sexual orientation or gender identity. This prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant’s sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled. The term “household” is defined in 24 C.F.R. §570.3.

D. Travel Expenses

Travel must be approved in advance by LAHD and shall not be reimbursed without prior written authorization from LAHD. With prior written authorization from LAHD, the Contractor, as provided herein, shall be compensated for the Contractor’s

reasonable travel expenses incurred in the performance of this Agreement, to include travel and per diem and in compliance with 2 C.F.R. §200.475.

§407. 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.

§408. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

1. 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 (U.S. Department of Labor.) 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 C.F.R. 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 C.F.R., 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 C.F.R., 1987 Comp., p. 262). The 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

1. City/State 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. For purposes of this Agreement when copyrightable material (Material) is developed under this Agreement, ownership of the Material shall be governed by the provisions set forth below in Sections E through J. Notwithstanding such ownership rights, the Grantor, State, City and Contractor shall each have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, access, manufacture, improve upon, and allow others to do so for all 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. The Contractor shall comply with 29 C.F.R. 97.34.

D. Rights to Data

1. The Grantor and the City shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 C.F.R. 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. §401 or 402, the Grantor acquires the data under a copyright license as set forth in 48 C.F.R. 27.404(f)(2) instead of unlimited rights. (48 C.F.R. 27.404(a)).
2. Obligations Binding on Subcontractors: The Contractor shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

E. Intellectual Property Provisions for California Sub-Grants

1. 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 C.F.R. Part 97.34 the federal government shall have a royalty-free, non-exclusive, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

F. Ownership

1. Except where City/State has agreed in a signed writing to accept a license, City/State shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all intellectual property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by the Contractor or City/State and which result directly or indirectly from this Agreement.
2. For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works,

industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will, any data or information maintained, collected or stored in the ordinary course of business by City/State, and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.

3. For the purposes of the definition of Intellectual Property, “works” means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos, computer software and any other materials 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.
4. In the performance of this Agreement, the Contractor may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, the Contractor may access and utilize certain of City’s/State’s Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, the 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 Agreement, the Contractor accesses any third-party Intellectual Property that is licensed to City/State, the Contractor agrees to abide by all license and confidentiality restrictions applicable to City/State in the third-party’s license agreement.
5. The Contractor agrees to cooperate with City/State in establishing or maintaining City/State’s exclusive rights in the Intellectual Property, and in assuring City’s/State’s sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, the 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, the Contractor or City/State and which result directly or indirectly from this Agreement or any subcontract.

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

G. Retained Rights/License Rights

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

H. Copyright

1. The Contractor agrees that for purposes of copyright law, all works made by or on behalf of the Contractor in connection with the Contractor's performance of this Agreement shall be deemed "works for hire." The Contractor further agrees that the work of each person utilized by the Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of the Contractor or that person has entered into an agreement with the Contractor to perform the work. The Contractor shall enter into a written agreement with any such person that:(i) all work performed for the 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 the Contractor or City/State and which result directly or indirectly from this Agreement.

2. All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by the Contractor or City/State and which result directly or indirectly from this Agreement may not be reproduced or disseminated without prior written permission from City/State.

I. Patent Rights

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

J. Third-Party Intellectual Property

1. Except as provided herein, the Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of the 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 Section G. above, for any of the Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon these terms is unattainable, and City/State determines that the Intellectual Property should be included in or is required for the Contractor's performance of this Agreement, the Contractor shall obtain a license under terms acceptable to City/State.

K. Warranties

1. Contractor represents and warrants that:
 - a. It has secured and will secure all rights and licenses necessary for its performance of this Agreement. Neither the Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by the Contractor or City/State and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing

or issued by, any state, the United States, or any foreign country. There are currently no actual or threatened claims by any such third party based on an alleged violation of any such right by the Contractor.

- b. Neither the Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- c. It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors 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.
- d. It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to City/State in this Agreement.
- e. It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- f. 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 the Contractor's performance of this Agreement.
- g. City/State makes no warranty that the intellectual property resulting from this subgrant Agreement does not infringe upon any patent, trademark, copyright or the like, now existing or subsequently issued.

L. Intellectual Property Indemnity

- 1. The 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 the 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 the 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 the Contractor or City/State and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that was issued after the effective date of this Agreement. City/State reserves the right to participate in and/or control, at the Contractor's expense, any such infringement action brought against City/State.

2. Should any Intellectual Property licensed by the Contractor to City/State under this Agreement become the subject of an Intellectual Property infringement claim, the 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 Agreement at no expense to City/State. City/State shall have the right to monitor and appear through its own counsel (at the Contractor's expense) in any such claim or action. In the defense or settlement of the claim, the Contractor may obtain the right for City/State to continue using the licensed Intellectual Property or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, City/State may be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
3. The Contractor agrees that damages alone would be inadequate to compensate City/State for breach of any term of these Intellectual Property provisions herein by the Contractor. The Contractor acknowledges City/State would suffer irreparable harm in the event of such breach and agrees City/State shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

M. Survival

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

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

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

- A. Contractor assures payment of a minimum initial wage rate to employees as defined in §10.37.2 of the LWO and as may be adjusted each July 1 and provision of benefits as defined in the LWO.
- B. Under the provision of §10.37.5 of the LAAC, 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 must submit certification of compliance and post the Notice of Prohibition Against Retaliation provided by the City, attached hereto as Exhibit E. 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.
- C. 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. Contractor shall require each of its Subcontractors, in accordance with §10.37.6(c) 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 §10.37.6(c) concerning compliance with such federal law.
- D. Contractor shall comply with all rules, regulations and policies promulgated by the designated administrative agency (DAA), which may be amended from time to time.
- E. Under the provisions of §10.36.3(c) and §10.37.6(c) of the LAAC, 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 Contractor has violated provisions of the LWO and the SCWRO.
- F. In accordance with §10.37.6(g) of the LWO, where the DAA has determined (a) that the Contractor is in violation of the LWO, and (b) that such violation has gone uncured, the DAA may request the awarding authority to declare a material breach of the Agreement and in such circumstances may impound monies otherwise due the Contractor in accordance with the following procedures: impoundment shall mean that from monies due to 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 a holding account and disposed of under procedures described through final and binding arbitration. Whether Contractor is to continue work following an impoundment shall remain in the unfettered discretion of the awarding authority. 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.

§410. Earned Income Tax Credit

This Agreement is subject to the provisions of §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) under §32 of the Internal Revenue Code of 1954, 26 U.S.C. §32, and shall make available to employees the forms informing them about the EITC and forms required to secure advance EITC payments from employers.

§411. Equal Benefits Ordinance

- A. Unless otherwise exempted in accordance with the provisions of the Equal Benefits Ordinance (EBO), this Agreement is subject to the applicable provisions of the EBO, §10.8.2.1 of the Los Angeles Administrative Code (LAAC), as amended from time to time.
- B. 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 Administration, Office of Contract Compliance, at (213) 847-1922.”
- C. 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.
- D. 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 the 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.
- E. Failure to comply with the EBO may be used as evidence against the Contractor in actions taken pursuant to the provisions of LAAC §10.40 *et seq.*, Contractor Responsibility Ordinance.
- F. 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 LAAC §10.40 *et seq.*, Contractor Responsibility Ordinance.

§412. 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, §10.40 *et seq.*, of the Los Angeles Administrative Code, which requires the 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 the Contractor's fitness and ability to continue performing the Agreement. In accordance with the provisions of this Ordinance, by signing this Agreement, the 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:

- A. 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/Consultant is not in compliance with all applicable federal, state and local laws in performance of this Agreement;
- B. 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 §10.40.3(a) of the Ordinance;
- C. Ensure that its subcontractor(s), as defined in the Ordinance, submit a Pledge of Compliance to awarding authorities; and
- D. 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 §10.40.3(a) of the Ordinance in performance of the subcontract.

§413. 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.

§414. Warranty and Responsibility of Contractor

- A. The Contractor warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within the Contractor's profession, doing the same or similar work under the same or similar circumstances.
- B. The Contractor hereby certifies that by signing this Agreement, the 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.

- C. The Contractor hereby certifies that by signing this Agreement, the Contractor shall have tuberculosis (TB) tests completed on any staff member working with youth.
- D. The 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.

§415. First Source Hiring Ordinance

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

- A. The Contractor shall, prior to the execution of the contract, provide LAHD a list of anticipated employment opportunities that the Contractor estimates it will need to fill in order to perform the services under the Agreement.
- B. The Contractor further pledges that it will, during the term of the Agreement:
 - 1. Notify the Economic and Workforce Development Department (EWDD), of any new employment opportunity at least seven (7) business days before releasing the employment opportunity announcement to the public;
 - 2. Interview qualified individuals referred by EWDD and various Referral Resources; and
 - 3. Prior to filling any employment opportunity, the Contractor shall inform the Bureau of Contract Administration (BCA) of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the Contractor interviewed and the reasons why referred individuals were not hired.
- C. Any subcontract entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
- D. The Contractor shall comply with all rules, regulations and policies promulgated by the BCA, which may be amended from time to time.

- E. Under the provisions of §10.44.8 of the LAAC, if the BCA determines that the Contractor has violated or is not in compliance with the FSHO, the BCA will notify the Contractor of the determination and may recommend that the Awarding Authority take any of the following actions: terminate the Agreement, withhold payments due to the Contractor, and/or pursue any rights and remedies available by law.
- F. Under the provisions of §10.44.13 of the LAAC, if the BCA determines that the Contractor intentionally violated or used hiring practices for the purpose of avoiding the FSHO, that determination will be documented in the Awarding Authority's Contractor Evaluation, required under LAAC §10.39 *et seq.*, and must be documented in each of the Contractor's subsequent Contractor Responsibility Questionnaires submitted, in accordance with LAAC §10.40 *et seq.* This measure does not limit the City's authority to act under the FSHO.

§416. Compliance with Current Applicable Safety Protocols and Laws

The Contractor, and any of its subcontractors, if applicable, shall comply with any and all safety protocols, current laws, regulations, and public health orders to ensure the health and safety of both the Contractor's employees, any subcontractors, and the public.

§417. Prohibition Against Duplication of Benefits

Prohibition against duplication of benefits: Section 312 (42 U.S.C. 5155) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 *et seq.*) prohibits duplication of benefits for programs that provide financial assistance to people or entities suffering losses as a result of a Federally-declared disaster or emergency. The "duplication of benefits" occurs when Federal financial assistance is provided to a person or entity through a program to address losses resulting from a Federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs. Recipients must establish and maintain adequate procedures to prevent any duplication of benefits with concurrent grant funds. The City will issue additional guidance to facilitate compliance with this requirement.

V. DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§501. Defaults

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

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

- D. Terminate the Agreement; or
- E. Take other remedies that may be legally available.

§502. Suspension

- A. The City may suspend all or part of the project operations for failure by the Contractor to comply with the terms and conditions of this Agreement by giving written notice, which shall be effective upon receipt.
- B. Said notice shall set forth the specific conditions of noncompliance 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 §404 (Insurance) herein. Performance shall not resume without the prior written approval of City.

§503. Termination

- A. Either party to this Agreement may terminate this Agreement or any part hereof upon giving the other party 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.), the 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 any damages that may be due to the City from the Contractor is determined.
- F. The foregoing Subsection B, C, D, and E shall also apply to activities terminating upon the date specified in §201, or upon completion of the performance, of this Agreement.

§504. Notices of Suspension or Termination

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

§505. Amendments

- A. Any change in the terms of this Agreement, including changes in the services to be performed by the Contractor, and any increase or decrease in the amount of compensation which are agreed to by the City and the Contractor shall be incorporated into this Agreement by a written amendment properly executed and signed by the person authorized to bind the parties thereto.
- B. The Contractor agrees to comply with all future City Directives or any rules, amendments or requirements promulgated by the City affecting this Agreement.

§506. Waivers

- A. Waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City.
- B. No waiver by the City or breach of any provision of these conditions shall be deemed for any purpose to be a waiver or breach of any other provision. A party's performance after the other party's default shall not be construed as a waiver of that default.

VI. DATA SECURITY AND PRIVACY

§601. Data Ownership

As between the parties, City is the sole and exclusive owner of all data and information provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. The Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. The Contractor shall not possess or assert any lien or other right against, or to City Data. City may request an export of City Data stored within the systems or held by the Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants the Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

§602. Data Protection

- A. The Contractor shall use best efforts, but in no event less than information security industry standard protections, for the type of data at issue, to prevent unauthorized access to, or use, disclosure, or exposure of City Data. To this end, the Contractor shall safeguard the confidentiality, integrity, and availability of City Data, including all information obtained by the Contractor under this Agreement.
- B. The Contractor shall implement and maintain appropriate administrative, technical, and organization security measures to safeguard against unauthorized access, disclosure, or theft of City Data or a candidate's personal information. Such security measures shall be in accordance with recognized industry best practices and the standard of care imposed by local, state and federal laws and regulations relating to the protection of such information. In the absence of any legally imposed or industry standard of care, the Contractor shall safeguard City Data using measures no less stringent than the measures the Contractor applies to the Contractor's own personal data and non-public data of similar kind.
- C. Unless otherwise expressly agreed to by City in writing, the Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.
- D. At no time may any content or City processes be copied, disclosed, or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include City and involve City approval.
- E. At any time during the term of this Agreement, at City's written request, the Contractor shall, and shall instruct all of its employees and subcontractors to, promptly return to City all copies, whether in written, electronic, or other form of media, of City Data in its possession, or securely dispose of all such copies, and certify in writing to City that such City Data has been returned to City or disposed of securely. The Contractor shall comply with all reasonable directions provided by City with respect to the return or disposal of City Data. Except as set forth in this provision and the Scope of Services, the Contractor's obligations to retain City Data during the term of this Agreement and following (1) final payment made by City, (2) the expiration of this Agreement, or (3) the termination of this Agreement, are governed by PSC-16 of the Standard Provisions for City Contracts ("Standard Provisions"). After the Contractor has retained City Data for the period(s) in PSC-16 of the Standard Provisions, the Contractor shall securely dispose of all City Data, and certify in writing to City, within 30 days of the expiration of Retention Period, that City Data has been securely disposed of.

§603. Compliance with Privacy Laws

The Contractor shall ensure that the Contractor's performance of the Contractor's obligations under this Agreement complies with all applicable local, state, and federal

privacy laws and regulations, including, but not limited to, laws relating to consent to make visual and audio recordings of individuals and consent to collect information from individuals. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and the Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and the Contractor shall complete and deliver any documents necessary to compliance.

§604. Confidential Information

The Contractor understands that all original material, and personal information disclosed by the City or third parties whether written or readable by machine, including written or recorded data, documents, graphic displays, reports, and other documentation or other materials which contain information relating to the Contractor's performance hereunder are considered confidential property of City. The Contractor understands the sensitive nature of the above and therefore agrees that neither its officers, partners, employees, agents, contractors or subcontractors will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, nor other materials except as provided herein or as authorized, in writing, by City's representative. This section shall remain in effect after the termination of this Agreement. The provisions of this subsection shall survive expiration or termination of this Agreement.

§605. Provision of Data

Upon termination of this Agreement for any cause or reason (including City's breach), the Contractor shall provide City with a copy of all City Data in the Contractor's possession in a mutually agreeable machine-readable format.

§606. Data, Development, and Access-Point Location

Storage of City Data shall be located in the continental United States of America. The Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at the Contractor's continental United States of America headquarters or data centers. The Contractor shall neither access, nor allow a third party to access systems housing City Data from any location outside of the continental United States of America. Notwithstanding anything to the contrary in this Agreement, and only after obtaining prior written approval of City, the Contractor may grant personnel and contractors located outside the continental United States remote read-only access to City Data only as required to provide proctoring and other technical support in relation to the services contemplated herein. The Contractor shall obtain the City's prior written approval for each of its employees, contractors, officers, partners, consultants, principals, agents, affiliates, or subsidiaries who are essential for the purpose of providing the services under this Agreement ("Authorized Persons"). When the Contractor submits a request for City's prior written approval, it shall describe the proposed Authorized Person's role and the necessity for the proposed Authorized Person to access City Data. The Contractor shall at all times cause such

Authorized Persons to abide strictly by the Contractor's obligations under this Agreement and the industry standards for information security. The Contractor hereby agrees that only Authorized Persons who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this Agreement will access City Data, and will do so only for the purpose of enabling the Contractor to perform its obligations under this Agreement.

§607. Data Breach

The Contractor shall protect City Data using the most secure means and technology that is consistent with industry standards for the type of data at issue. The Contractor shall notify City as soon as reasonably feasible, but in any event, within twenty-four (24) hours in writing and telephonically of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. If directed by City, the Contractor shall retain an independent third party to conduct the investigation at Contractor's sole cost. At City's sole discretion, City and/or its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with City, its agents and law enforcement. The Contractor is responsible for all costs associated with a Data Breach or Security Incident, including, if directed by City, the provision of identity protection services to individuals affected by the Security Incident. If required by law or directed by City, the Contractor will be responsible for notifying individuals impacted by the Security Incident or Data Breach, with City having final approval of the content of the notification. In the event City incurs any costs related to the breach referenced above, City will seek reimbursement from Contractor or reduce the Contractor's invoice for costs associated with breach of security.

§608. Data Breach Liability

If City is subject to any claims relating to any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless City and defend City against any such claims, including reimbursement of any costs and attorney fees incurred by City relating to those claims. This obligation is in addition to any of the Contractor's other indemnification obligations in this Agreement.

§609. Firewalls and Access Controls

- A. Access Precautions. The Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:
1. Prevent anyone other than City, the Contractor, and authorized City or the Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data;
 2. Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and
 3. Prevent the disclosure of City and the Contractor passwords and other access control information to anyone other than authorized City personnel.
- B. Security Best Practices. The Contractor shall implement the following security best practices with respect to any service provided:
1. Least Privilege: The Contractor shall authorize access only to the minimum amount of resources required for a function.
 2. Separation of Duties: The Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.
 3. Role-Based Security: The Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.
- C. Access Restrictions. The Contractor shall restrict the use of, and access to, administrative credentials for City accounts and the Contractor's systems to only those of the Contractor's employees and other agents whose access is essential for the purpose of providing the services of this Agreement. The Contractor shall require these personnel to log on using an assigned user-name and password when administering City accounts or accessing City Data. These controls must enable the Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. The Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. The Contractor will implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. The Contractor will disable user accounts after at most ten (10) consecutive invalid authentication attempts.

§610. Right of Audit by City

Without limiting any other audit rights of City, upon reasonable advance notice of at least thirty (30) days, City may review the Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this Agreement. At City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14) days of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program. These audit rights are in addition to any other audit rights set forth in PSC-16 of the Standard Provisions.

§611. Written Information Security Policy

The Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively "Information Security Policy"), and communicate the Information Security Policy to all of its respective employees and contractors in a relevant, accessible, and understandable form. The Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks. Within five (5) business days of City's request, the Contractor shall make available for City's review the Contractor's Information Security Policy and any related SOC audits, information security certifications, or other evidence that the Contractor has in place appropriate policies and procedures regarding information protection and security.

§612. Change in Service

The Contractor shall notify City of any changes, enhancement, and upgrades to the Contractor's systems, or changes in other related software services, as applicable, which can impact the security of the services.

VII. ENTIRE AGREEMENT

§701. 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.

§702. Ratification Clause

The Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted according to the City's discretion.

§703. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

§704. Number of Pages and Attachments

This Agreement is executed in **three (3) triplicate originals**, each of which is deemed to be an original. This Agreement includes forty-six (46) pages and eight (8) exhibits which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the Regional Alliance Marketplace for Procurement (RAMP) website.

[Remainder of page left intentionally blank]

[Signatures begin on next page.]

DRAFT

VIII. SIGNATURE PAGE

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

APPROVED AS TO FORM: Executed this _____ day of _____, 2026

HYDEE FELDSTEIN SOTO, City Attorney

For: CITY OF LOS ANGELES

By: _____
Assistant/Deputy City Attorney

TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

Date: _____

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

ATTEST:

By: _____
Luz C. Santiago,
Assistant General Manager

PATRICE Y. LATTIMORE, City Clerk

By: _____
Deputy City Clerk

Executed this _____ day of _____, 2026

Date: _____

For: Satwic Inc., a California for-profit corporation

By: _____
Subbaiah Cherumandanda
President

By: _____
Natesh Kodancha
Chief Executive Officer

CFDA Number: HOPWA – 14.241
Unique Entity Identification Number: YMRHHPJ7GNZ5
City Business License Number: 0002921445-0001-7
Internal Revenue Service ID Number: 95-4802883
Council File Number: ##-####
Dates of Approvals: Month ##, 2026 (Council) & Month ##, 2026 (Mayor)
Said Agreement is Number C-146312 of City Contracts

EXHIBIT A
STANDARD PROVISIONS FOR CITY CONTRACTS

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ATTACHMENT 114

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

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

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

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

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

PSC-3. Time of Effectiveness

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

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

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

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

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and

unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.
3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury

or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
 - 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
 - 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
 - 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

CONTRACTOR is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

CONTRACTOR may not, unless it has first obtained the written permission of **CITY**:

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

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from to time.

PSC-18. 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** shall defend, indemnify and hold harmless

CITY and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may

therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude CITY from seeking or obtaining any other relief to which CITY may be entitled.

For all Work Products delivered to CITY that are not originated or prepared by CONTRACTOR or its Subcontractors under this Contract, CONTRACTOR shall secure a grant, at no cost to CITY, for a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of CITY.

Any subcontract entered into by CONTRACTOR relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that CITY'S ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, CITY-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify CITY in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by CITY, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to CITY'S satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with CITY. At CITY'S sole discretion, CITY and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with CITY, its agents and law enforcement.
- B. If CITY is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless CITY and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend CITY, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (Form General 146 in Exhibit B hereto). The insurance must: (1) conform to CITY'S requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Attachment 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Attachment 1 hereto. Attachment 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

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

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Regional Alliance Marketplace for Procurement ("RAMP") at www.rampla.org, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through RAMP. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to

be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’S** principals, and **CONTRACTOR’S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”) shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract # C-146312. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any

other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information, City Data (as that term is defined in PSC-22), and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. Contractor Data Reporting

If **CONTRACTOR** is a for-profit, privately owned business, **CONTRACTOR** shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to **CITY** via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by **CITY**: Contractor's and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). **CONTRACTOR** shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by **CITY**.

PSC-45. Disclosure of Border Wall Contracting Ordinance

CONTRACTOR shall comply with Los Angeles Administrative Code Section 10.50 et seq., 'Disclosure of Border Wall Contracting.' **CITY** may terminate this Contract at any time if **CITY** determines that **CONTRACTOR** failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

PSC-46. City's Additional Remedies

CONTRACTOR acknowledges and agrees that nothing contained in this Agreement is, represents, or is intended to be construed as: a release, compromise, settlement, or waiver by **CITY** of any cause of action that **CITY** may have against **CONTRACTOR**. **CITY** reserves its rights in full, including, but not limited to, the right to bring any claim, cause of action, or request for reimbursement against **CONTRACTOR** in relation to this Agreement and other transactions between **CITY** and **CONTRACTOR**.

PSC-47. Payment Does Not Imply Acceptance of Work

The granting of any payment by **CITY**, or the receipt thereof by **CONTRACTOR**, in no way lessens the liability of **CONTRACTOR** to replace unsatisfactory work, equipment, or materials although the unsatisfactory character of this work, equipment or materials may not have been apparent or detected at the time the payment was made. Materials, equipment, components, or workmanship that do not conform to

the requirements of this Agreement may be rejected by **CITY** and upon rejection must be replaced by **CONTRACTOR** without delay.

PSC-48. Work Not in Scope of Services

CONTRACTOR shall immediately notify LAHD in writing of any work that is requested to be performed that is outside of the original scope of work covered by this Agreement and Section 202 above. If it is determined that the request is outside of the scope of work, **CONTRACTOR** shall not perform the requested work unless and until (i) the **CITY'S** designated contract administrator approves the request in writing and authorizes the use of any contingency funds for the work, and (ii) an amendment providing for an adjustment in **CONTRACTOR'S** compensation, and the scope of work is approved and executed by both parties.

DRAFT

ATTACHMENT 1
INSURANCE CONTRACTUAL REQUIREMENTS

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

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

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

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

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

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

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

EXHIBIT B
 Form Gen 146 (Rev. 6/12)
Required Insurance and Minimum Limits

Name: Satwic, Inc. Date: 07/17/2024

Agreement/Reference: Information Technology Professional Services

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

		LIMITS	
<input checked="" type="checkbox"/>	Workers' Compensation (WC) and Employer's Liability (EL)	WC	<u>Statutory</u>
		EL	\$ <u>1,000,000</u>
<input checked="" type="checkbox"/>	Waiver of Subrogation in favor of City	<input type="checkbox"/>	Longshore & Harbor Workers
		<input type="checkbox"/>	Jones Act
<input checked="" type="checkbox"/>	General Liability – City of LA is required to be named as an Additional Insured		
<input checked="" type="checkbox"/>	Products/Completed Operations	<input type="checkbox"/>	Sexual Misconduct \$ <u>1,000,000</u>
<input type="checkbox"/>	Fire Legal Liability	<input type="checkbox"/>	_____
<input type="checkbox"/>	Automobile Liability		\$ _____
	(for any and all vehicles used for this contract, other than commuting to/from work)		
<input checked="" type="checkbox"/>	Professional Liability (Errors and Omissions)		\$ <u>1,000,000</u>
	Discovery Period <u>12 Months After Completion of Work or Date of Termination.</u>		
<input type="checkbox"/>	Property Insurance		\$ _____
	(to cover replacement cost of building - as determined by insurance company)		
<input type="checkbox"/>	All Risk Coverage	<input type="checkbox"/>	Boiler and Machinery
<input type="checkbox"/>	Flood	<input type="checkbox"/>	Builder's Risk
<input type="checkbox"/>	Earthquake	<input type="checkbox"/>	_____
<input type="checkbox"/>	Pollution Liability		\$ _____
<input type="checkbox"/>	_____		
<input type="checkbox"/>	Surety Bonds – Performance and Payment (Labor and Materials) Bonds		100% of the contract price
<input type="checkbox"/>	Crime Insurance		\$ _____

Other:

- Cyber Liability (\$1 million)
- In the absence of imposed Auto Liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

EXHIBIT B
INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE
REQUIREMENTS

NAME:	Darren Lay
CITY AGENCY:	Los Angeles Housing Dept.
ADDRESS:	1910 W Sunset Blvd, 3rd Floor Los Angeles, CA 90026
EMAIL:	darren.lay@lacity.org

(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.

GENERAL INFORMATION

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

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

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

Contractor must provide City a thirty (30) day notice of cancellation (ten (10) days for nonpayment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers’ Compensation Law.

- Professional Liability insurance

Verification of approved insurance and bonds may be obtained by checking **KwikComply**, the CITY's online insurance compliance system, at <https://kwikcomply.org/>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **KwikComply** at <https://kwikcomply.org/>.

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

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

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

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

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

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

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

12. **Cyber Liability & Privacy** coverage may be required to cover technology services or products for both liability and property losses that may result when a CITY contractor engages in various electronic activities, such as selling on the Internet or collecting data within its internal electronic network. Contractor's policies shall cover liability for a data breach in which the CITY employees' and/or CITY customers' confidential or personal information, such as but not limited to, Social Security or credit card information are exposed or stolen by a hacker or other criminal who has gained access to the CITY's or contractor's electronic network. The policies shall cover a variety of expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft. The policies are required to cover liability arising from website media content, as well as property exposures from: (a) business interruption, (b) data loss/destruction, (c) computer fraud, (d) funds transfer loss, and (e) cyber extortion.

(Rev. 05/18)

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

This certification is required by the regulations implementing Executive Orders 12549 and 12689, Debarment and Suspension, 24 CFR Part 24 §24.510, and 29 CFR Parts 97.35 and 98.510, Participants' responsibilities.

(READ ATTACHED INSTRUCTIONS FOR CERTIFICATION BEFORE COMPLETING)

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

AGREEMENT NUMBER: C-146312

Satwic Inc.
CONTRACTOR/BORROWER/AGENCY

Subbaiah Cherumandanda, President
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

Exhibit C (cont.)

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Orders 12549 and 12689.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non-Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

EXHIBIT D
CERTIFICATION REGARDING LOBBYING

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

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

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

AGREEMENT NUMBER: C-146312

Satwic Inc.
CONTRACTOR/BORROWER/AGENCY

Subbaiah Cherumandanda, President
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT E
CERTIFICATION REGARDING
NOTICE OF PROHIBITION AGAINST RETALIATION

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

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(English\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(English)%2005.2024.pdf) and in Spanish at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(Spanish\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(Spanish)%2005.2024.pdf)). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

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

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

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

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

For more information, or to obtain a complaint form, please call the Equal Employment Opportunity Enforcement Section at bca.eeoe@lacity.org.

CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
BCA.EEOE@LACITY.ORG

Rev. 05/24

AGREEMENT NUMBER: C-146312

Satwic Inc.
CONTRACTOR/BORROWER/AGENCY

Subbaiah Cherumandanda, President
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT E
Page 1 of 1

EXHIBIT F
MANAGEMENT REPRESENTATION

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

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

True False

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

True False

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

True False

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

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

True False

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

True False

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

True False

5. I have no knowledge that a board member/s is/are also an employee of this Contractor whose salary costs are reimbursed under this agreement.

True False

6. I have no knowledge of and am not in receipt of any communication regarding allegations of fraud, suspected fraud or abuse affecting the Contractor involving management, employees who have significant roles in internal control, or others where fraud/abuse could have a material effect on the financial records or performance of the City Contract.

True False

7. I have no knowledge of any allegations, written or oral, of misstatements or misapplication of funds in the Contractor's conduct of its financial affairs or in its financial records.

True False

8. I am not aware of any pending litigation, bankruptcy, judgment, liens and other significant issues that may threaten the financial viability, legal and continuing existence of the Contractor.

True False

9. The Contractor has satisfactory title to all assets being used in the City's program, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.

True False

10. The Contractor has complied with all aspects of contractual agreements, related laws and regulations that could have a material effect on the financial records, the program/s, or on the organization as a whole.

True False

11. I have properly reported and paid to the appropriate governmental agencies all payroll taxes due on employees' (City program related or otherwise) compensation.

True False

12. I have responded fully to all the City's inquiries related to the Contractor's financial records and/or reports.

True False

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

True False

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

True False

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

True False

Use this space to provide any additional information:

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

AGREEMENT NUMBER: C-146312

Satwic Inc.
CONTRACTOR/BORROWER/AGENCY

Subbaiah Cherumandanda, President
NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

EXHIBIT G
SUBCONTRACT AND PROCUREMENT PROCEDURES

A. SUBCONTRACTS

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

B. PROCUREMENT PROCEDURES

1. It is the policy of the City of Los Angeles (City) to encourage fair and open competition in its procurement for goods and services. The requirements for a fair and open competition include the development of written procurement policies that include, but are not limited to all of the following subsections. Several of the provisions herein include City mandated rules and procedures in addition to the other grant requirements. Such policies are applicable to subcontractors to the extent permitted by law.
 - a. Purpose: It is the intent of these rules that these procedures shall apply to all subcontracts including, but not limited to purchase agreements, lease or rental agreements (excluding real property agreements), third-party agreements, and consultant services subcontracts. All contractors are required to prepare written procurement procedures. All written procedures and policies for procurement activities are to be available for public inspection.
 - b. Responsibilities:
 - (1) The following procedures shall apply to all procurements under this Agreement in order to ensure that all solicitations:
 - (a) Incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurement, contain features which unduly restrict competition; and

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

The Federal government prohibits awards to any party that is debarred. The Federal government compiles a list of debarred parties. The Federal list is published by the General Services Administration. A copy may be obtained by accessing www.sam.gov. The list will be issued as an Information Bulletin in May of each year. It is the Contractor's responsibility to ensure that funds are not awarded to entities on the debarment list.
 - (10) Procurement activities must be concluded in a confidential manner. Staff involved in procurements must not divulge advance purchasing information, specific proposal/offer evaluation criteria, and negotiations with bidders or in-house discussions regarding procurement until such time as this information is released to all parties.
 - (11) Contractor shall receive and log in proposals and establish a method for recording the date and time of arrival of proposals using either a log-in sheet, or a date/time stamp. Contractor shall establish a single location for receipt of proposals. Contractor shall ensure that the only proposals received by the deadline specified in the bid package qualify for the evaluation process unless there is a valid legal reason for otherwise considering a late proposal.
 - (12) Contractor shall establish proposal evaluation procedures that shall include, but not be limited to the following:

- (a) Clear staff responsibilities: A procurement specialist shall be designated for each bid/proposal process. It shall be the responsibility of the specialist to insure compliance with these procurement rules;
 - (b) Develop a standard worksheet or check-list for determining responsiveness of each proposal;
 - (c) Establish and use evaluation criteria and a standard evaluation worksheet to be used in recording the evaluations of each proposal;
 - (d) Prepare an analysis of costs to verify allowability and to determine reasonableness;
 - (e) Identify staff responsibilities for completing proposal evaluation and for summarizing evaluation results;
 - (f) Develop a description of methods for ensuring independence of ratings by those involved in the evaluation process (i.e., prohibit discussion among staff, sequestered evaluations);
 - (g) Identify policy and process by which selection of awardee(s) will be made; and
 - (h) Provide an opportunity for bidders to appeal staff recommendations.
 - (i) Items a-c should be sufficiently completed before issuance of the bid package so relevant parts can be included.
- (13) Contractor shall identify complete and timely proposals. Contractor shall review the technical merits of these proposals based on the rating criteria contained in the bid package. Contractor shall review the cost proposals based on applicable cost principles and the technical proposal.
- (14) Contractor shall determine which proposals are in competitive range for technical response and based on the cost and price analysis conducted prior to the release of the bid package.
- (15) 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.
- (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) If the State of California, or the City of Los Angeles has established a debt against a service provider that has not been repaid or a repayment agreement plan has not been implemented, then the service provider shall be barred from receiving any future City funds.
- (19) Participation of Minorities, Women, Disadvantaged and Small Businesses

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

- (20) The Contractor shall not use funds provided under this Agreement to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless it is demonstrated that the Agreement-funded alternative services or facilities would be more effective or more likely to achieve performance goals.
 - (21) The Contractor, to the maximum extent practicable and permitted by law, is encouraged to maximize use of goods, products, and materials produced in the United States when procuring goods and services under Federal awards. (2 CFR 200.322.)
 - (22) The Contractor, consistent with 2 CFR 200.216 (Prohibition on certain telecommunication and video surveillance services or equipment (Effective 8/13/2020)), shall be prohibited from obligating or expending loan or grant funds to (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. This prohibition applies even if the contract is not intended to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services. As described in section 889 of the 2019 National Defense Authorization Act, covered telecommunications equipment or services includes: Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - (a) Costs incurred for telecommunications and video surveillance services or equipment such as phones, internet, video surveillance, cloud servers are allowable except for the following circumstances:
 - i. Obligating or expending covered telecommunications and video surveillance services or equipment or services as described in 2 CFR 200.216 to:
 - ii. Procure or obtain, extend or renew a contract to procure or obtain;
 - iii. Enter into a contract (or extend or renew a contract) to procure; or
 - iv. Obtain the equipment, services, or systems.
- c. Cost or Price Analysis:
- (1) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
 - (2) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
 - (3) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
 - (4) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

d. Awarding of Agreement/Contract

- (1) Prior to an award of a contract, the City/Contractor shall make a determination that the Contractor/Subcontractor has demonstrated effectiveness in providing the requested services. Agreements/Contracts shall be made only with responsible Contractors/Subcontractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. The selected proposer must be a responsive entity that has submitted a proposal or bid which meets all requirements of the solicitation adequately, which includes responding to the Request for Proposal (RFP)/Request of Qualification (RFQ) within the required time frames, and completing all forms and documents. A responsible entity is one that has been determined to: 1) have a satisfactory record of integrity and business ethics; 2) have a satisfactory performance record; 3) have adequate financial resources to perform the contract or the ability to obtain such resources; 4) be able to comply with the required or proposed delivery of performance schedule, taking into consideration all existing commercial and business commitments; 5) have the needed organization, experience, accounting, operational control and technical skills or ability to obtain them; 6) have adequate production, construction or technical equipment and needed facilities or the ability to obtain them; 7) be able to meet the program design specifications; 8) be able to meet performance goals which includes a showing of demonstrated effectiveness in providing employment and training services; 9) be able to provide services that can lead to the achievement of competency standards for participants; and 10) be both qualified and eligible to receive the award under the applicable law and regulation. Contractor/Subcontractor shall make the award(s) and finalize the contract(s). Contractor/Subcontractor shall follow established procedures for formal notification of offerors of the results of the evaluations and selected process.
- (2) The City/Contractor and its contractors/subcontractors shall make positive efforts to utilize small business and minority-owned business as sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts to be performed utilizing Federal grant funds. If applicable, Contractor/Subcontractor certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000.
- (3) Where such advertised bids are obtained, the awards shall be made to the responsible bidder whose bid is responsive to the invitation and is most advantageous to the grantee, price and other factors considered. Factors such as discounts, transportation costs, and taxes may be considered in determining the lowest bid. No points shall be given for status as subcontractors or a contractor with an approved childcare policy within existing delivery systems. However, if a bid results in a tie score, preference may be given to the contractor or a 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.

e. Funding Restrictions for High-Risk Contracts

- (1) A contractor may be considered "high-risk" if an awarding agency determines that the contractor is otherwise responsible but:
 - (a) Has a history of unsatisfactory performance;
 - (b) Is not financially stable;
 - (c) Has a management system that does not meet the management standards set forth in this part; or
 - (d) Has not conformed to terms and conditions of a previously awarded grant or sub-grant.

- (2) If the City/Contractor agency determines that a grant or sub-grant shall be made to a “high-risk” contractor or subcontractors, then special funding restrictions that address the “high-risk” status may be included in the contract or subcontract. Funding restrictions may include, but are not limited to:
 - (a) Use of reimbursements rather than advances or payment upon completion of the project;
 - (b) Requiring additional and/or more detailed financial or performance reports;
 - (c) Additional monitoring;
 - (d) Requiring the contractor or subcontractors to obtain specific technical or management assistance, and/or
 - (e) Establishing additional prior approvals (e.g., requiring awarding agency approval prior to hiring/firing, award of small purchase contracts).
- (3) If the City/Contractor decides to impose such funding restrictions, the awarding official shall notify the contractor or subcontractors as early as possible, in writing, of:
 - (a) The nature of the funding restriction(s);
 - (b) The reason(s) for imposing them;
 - (c) The corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions;
 - (d) The method of requesting reconsideration of the restrictions imposed; and
 - (e) Additional prior approvals.

f. City Code of Conduct

All contractors shall adopt a Code of Conduct in accordance with the requirements as set forth in §405 of this Agreement.

g. Methods of Procurement

- (1) Contractor shall use one (1) of the following methods of procurement either by bid or proposal, as appropriate for each procurement action, for entering into contracts with subcontractors. Contractors shall conduct procurement in a manner that provides full and open competition. Contractor shall perform a cost or price analysis in connection with every procurement action in excess of the small purchase procedures, 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, 2 CFR 200, Los Angeles City Charter §370-§372, and 2 CFR Chapter I, Chapter II, Part 200, et al., incorporated herein by reference.
- (2) Prior to entering into any subcontract that has a value of One Thousand Dollars (\$1,000) or more, the Contractor shall submit to the City evidence that it has received a minimum bid(s) for such subcontractors and documentation that justifies the selection of the successful bidder. The Contractor shall maintain records showing the parties solicited and the bids submitted.

- (a) Micro Purchase Procedure: Micro purchases are made from vendors for goods or services under \$10,000. No quotations or bids required, but an equitable distribution of purchases must be documented.
- (b) Small Purchase Procedures: Small purchases are made from vendors for goods or services under \$250,000. Following the procedures for small purchases shall constitute justification of the procurement method chosen. The bid must indicate the quantity, time frame and all other requirements of the product or service sought. Bids must be solicited from vendors that can reasonably be expected to provide the goods or services needed.

The requirements are:

Dollar Range of Purchase Contract and Method

\$10,001 to \$250,000 3 written bids received**

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

(c) Purchase/Services Over \$250,000

Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

i. In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

ii. If sealed bids are used, the following requirements apply:

- (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
- (ii) The invitation for bids, which shall include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- (iii) All bids shall be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- (iv) A firm fixed price contract award shall be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts,

transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts shall only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(vi) Issue a Public Notification made through an announcement in a local public medium (e.g., newspaper) that covers the entire service area.

(d) Procurement by competitive proposals.

The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- i. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- ii. Proposals must be solicited from an adequate number of qualified sources;
- iii. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- iv. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- v. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) Procurement by Noncompetitive Proposals

Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- i. The item is available only from a single source;
- ii. The public exigency or emergency for the requirement shall not permit a delay resulting from competitive solicitation;
- iii. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- iv. After solicitation of a number of sources, competition is determined inadequate.

(f) Contract Provisions

i. All contracts must contain at a minimum the following provisions:

- (i) Specific deliverables and the basis for payment;
- (ii) Provisions requiring compliance with Community Development Block Grantors (CDBG) including, but not limited to other funding source regulations;
- (iii) Provisions that describe remedies for breach;
- (iv) Provisions that describe Grantors CDBG and other funding sources patent and copyright rules;
- (v) Provisions for termination for cause and convenience;
- (vi) Access to records for audit purposes;
- (vii) Audit requirements;
- (viii) Provisions for payment and delivery;
- (ix) Provisions describing contract amendment procedures;
- (x) Provisions against assignment;
- (xi) Provisions for equal opportunity and non-discrimination;
- (xii) Provisions prohibiting conflicts of interest.

(g) Competition

i. All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (ii) Requiring unnecessary experience and excessive bonding;
- (iii) Noncompetitive pricing practices between firms or between affiliated companies;
- (iv) Noncompetitive contracts to consultants that are on retainer contracts;
- (v) Organizational conflicts of interest;
- (vi) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (vii) Any arbitrary action in the procurement process.

- ii. The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- iii. The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
 - (i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
 - (ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
 - (iii) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.
- (h) Appeal and Dispute Procedures

The City and its contractors shall have protest procedures to hand 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.

EXHIBIT H
PROFESSIONAL FEE SCHEDULE

Services shall be compensated according to the following fee schedule:

HOURLY BILLING RATE AND COST SCHEDULE		EMPLOYEE COMPENSATION			OVERHEAD		TOTAL
Position Description		Base Rate	Other Compensation	Total Paid to Employee	Administrative Costs	Profit Margin	Total Billing Rate
Application Programmer	Proficient Rate	54.00		54.00	10.80	9.72	74.52
	Advanced Rate	75.00		75.00	15.00	13.50	103.50
Business Analyst	Proficient Rate	60.00		60.00	12.00	10.80	82.80
	Advanced Rate	75.00		75.00	15.00	13.50	103.50
Business Intelligence Specialist	Proficient Rate	53.50		53.50	10.70	9.63	73.83
	Advanced Rate	80.00		80.00	16.00	14.40	110.40
Database Architect	Proficient Rate	65.00		65.00	13.00	11.70	89.70
	Advanced Rate	85.00		85.00	17.00	15.30	117.30
Geographic Information Specialist	Proficient Rate	65.00		65.00	13.00	11.70	89.70
	Advanced Rate	85.00		85.00	17.00	15.30	117.30
Junior Programmer	Proficient Rate	34.50		34.50	6.90	6.21	47.96
	Advanced Rate	65.00		65.00	13.00	11.70	89.70
Junior Analyst	Proficient Rate	34.75		34.75	6.95	6.26	47.96
	Advanced Rate	65.00		65.00	13.00	11.70	89.70
Programmer Analyst	Proficient Rate	60.00		60.00	12.00	10.80	82.80
	Advanced Rate	80.00		80.00	16.00	14.40	110.40
Project Manager	Proficient Rate	70.00		70.00	14.00	12.60	96.60
	Advanced Rate	90.00		90.00	18.00	16.20	124.20
Systems Programmer	Proficient Rate	65.00		65.00	13.00	11.70	89.70
	Advanced Rate	80.00		80.00	16.00	14.40	110.40
UX Developer	Proficient Rate	68.00		68.00	13.60	12.24	93.84
	Advanced Rate	80.00		80.00	14.80	13.32	110.40
Data Analyst	Proficient Rate	53.50		53.50	10.70	9.63	73.83
	Advanced Rate	85.00		85.00	17.00	15.30	117.30
Offshore Consultants	Proficient Rate	20.00		20.00	4.00	3.60	27.60
	Advanced Rate	35.00		35.00	7.00	6.30	48.30

EXHIBIT H (CON'T)

Are you able and willing to provide estimates and perform work for fixed-price projects?

Yes_

No_



President

3Jul2023

Signature_____

Title_____

Date_____

DRAFT

SECOND AMENDED AND RESTATED
PROFESSIONAL SERVICES AGREEMENT

Contractor: Trinus Corporation

Title: Information Technology Professional Services

Said Agreement is Number C-146218 of City Contracts

DRAFT

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- Exhibit A Required Insurance and Minimum Limits
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- Exhibit B Notice of Prohibition Against Retaliation
- Exhibit C Professional Fee Schedule

SECOND AMENDED AND RESTATED
AGREEMENT NUMBER C-146218 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
TRINUS CORPORATION

THIS SECOND AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into by and between the City of Los Angeles (“City”), a municipal corporation, and Trinus Corporation (“Contractor”), a Delaware for profit corporation, licensed to do business in the state of California (sometimes collectively referred to herein as the “Parties”).

RECITALS

WHEREAS, the Los Angeles Housing Department (“LAHD”), is charged with the development of citywide housing policy and support of safe and livable neighborhoods through the promotion, development and preservation of decent and affordable housing; and

WHEREAS, the City 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 which is the subject of this Agreement has been established by the City as one of the above-described programs, and has been funded in the LAHD budget with eligible administered fund(s) which has been approved by the Los Angeles City Council and the Mayor; and

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

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

WHEREAS, on May 8, 2023, the City released a Request for Proposals (RFP) to select contractors to provide information technology professional services (hereinafter, the “Services”), and the Contractor applied to and was awarded a contract under the RFP; and

WHEREAS, on June 18, 2024 and June 27, 2024, City Council and the Mayor approved the execution of a contract with the Contractor to provide the Services for an amount not to exceed Three Million Seven Hundred Eight Thousand Six Hundred Twenty-Four Dollars (\$3,708,624), for a term of one (1) year commencing on July 1, 2024 and ending on June 30, 2025, with the option to extend for up to two additional one-year terms (Council File Number 24-0500), pursuant

to which the Parties entered into Contract Number C-146218, executed by the City Clerk on September 20, 2024 (“Original Agreement”); and

WHEREAS, on June 24, 2025 and July 3, 2025, City Council and the Mayor approved an amendment to Contract Number C-146218 to (a) add additional funds in the amount of Two Million Eight Hundred Thirty Thousand Forty Dollars (\$2,830,040) for a new contract total of Six Million Five Hundred Thirty-Eight Thousand Six Hundred Sixty-Four Dollars (\$6,538,664) and (b) extend the contract term by one (1) year to June 30, 2026 (Council File Number 25-0525), pursuant to which the Parties entered into the First Amended and Restated Professional Services Agreement, executed by the City Clerk on July 28, 2025 (“First Amended and Restated Agreement”), which amended, restated and replaced the Original Agreement in its entirety; and

WHEREAS, the City and the Contractor are desirous of further amending and restating Contract Number C-146218 as authorized by the action of the Los Angeles City Council and the Mayor (Council File Number 26-#### adopted by City Council on MONTH, DAY, 2026 and concurred by the Mayor on MONTH, DAY, 2026), which authorizes the General Manager of LAHD to amend and restate Contract Number C-146218 for the purpose(s) of: (a) adding additional funds in the amount of **Three Hundred Forty Thousand Dollars (\$340,000)** for a new total of **Six Million Eight Hundred Seventy-Eight Thousand Six Hundred Sixty-Four Dollars (\$6,878,664)**, and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Agreement completely amends, restates, and replaces the First Amended and Restated Agreement in its entirety.

[Remainder of page left intentionally blank]

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

I. INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, California 90012.
- B. The Contractor, known as Trinus Corporation, a Delaware for profit corporation, having its principal office at 35 N. Lake Avenue, Suite 710, Pasadena, California 91101.

§102. Representatives of the Parties and Service of Notices

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

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

Tiena Johnson Hall, General Manager
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

With copies to:
Kim Ly, Director, Systems Division
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

- 2. The representative of the Contractor shall be:

Harshada Kucheria, President
Trinus Corporation
35 N. Lake Avenue, Suite 710
Pasadena, CA 91101
Harshada_kucheria@trinus.com
(818) 246-1143 ext. 101

With copies to:
sanj@trinus.com

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.

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 accordance with this section, within five (5) working days of said change.

§103. Conditions Precedent to Execution of This Agreement

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

- A. Proof of insurance in accordance with §423 of this Agreement and as detailed in Exhibit A which is made a part hereof.
- B. Certification of Compliance with the City's Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy in accordance with §428 of this Agreement attached hereto as Exhibit B which is made a part hereof.
- C. Certification of Compliance with the City's Slavery Disclosure Ordinance in accordance with §433 of this Agreement, First Source Hiring Ordinance in accordance with §434 of this Agreement, Local Business Preference Ordinance in accordance with §435 of this Agreement, and Disclosure of Border Wall Contracting Ordinance in accordance with §446 of this Agreement, all of which are available on the City of Los Angeles' Regional Alliance Marketplace for Procurement ("RAMPLA") at www.rampla.org, prior to award of a City contract.
- D. Contractor was provided with a copy of LAHD Directive Number FY12-0001 in accordance with §445.B.1. of this Agreement and agrees to abide therewith.

II. TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on **July 1, 2024** and end **June 30, 2026**, with the option to renew for up to one (1) additional one-year contract term. Said term is subject to the provisions herein. Performance shall not commence until the Contractor has obtained the City's approval of the documents identified in §103 above, and the insurance requirements as forth below in this Agreement.

§202. Services to be Provided by the Contractor

- A. The Contractor shall provide contractual services which are supported by the work task schedule identified in this section. All work is subject to prior City approval. Failure to receive approval may result in withholding compensation pursuant to §301.
- B. During the term of the contract, the contractor(s) may be called upon to identify, select and provide qualified staff to LAHD to complete a variety of projects, from application enhancement performed by one programmer analyst to application development and implementation performed by a team of information technology professionals.
- C. The Contractor shall provide services for the following projects which shall include, but are not limited to, the following with project scopes that are subject to change based on the needs of the City:
 1. Code, Compliance and Rent Information System (CCRIS) – Development of CCRIS 2.0 to replace the existing version of CCRIS with newer technologies and add new business and technology requirements that are not supported by the current system.
 2. Billings Information Management Systems (BIMS) – Develop and enhance the following:
 - a. BIMS internal application upgrade.
 - b. Expose Application Programming Interface (API) so other software applications are able to programmatically obtain invoices and update ledgers via this API; and
 - c. Enhanced reporting - Develop visually compelling and easy-to-process charts and graphical reports by connecting various department's data sources including Billing Data, Code Inspection Data, and Rent Data.
 3. RENT System - Enhance the Rent System to be able to support following additional required components:
 - a. New Eviction Tracking System module for the United to House LA program (ULA);
 - b. New Tenant Protection module (ULA);
 - c. AB1482 and Just Cause;
 - d. California Public Records Act (CPRA) module and data dashboard; and
 - e. Develop new Point-of-Sale (POS) system to facilitate Counters for collecting fees and simplifying reconciliation.
 4. Housing Information Management System (HIMS)/Affordable Housing Information System (AHIS)

Redesign and develop AHIS to replace the existing version of HIMS with newer technologies and add new business and technology requirements that are not supported by the current system.

- a. Define requirements of the new system;
 - b. Streamline project development, loan management, and occupancy monitoring;
 - c. Automate and streamline the compliance monitoring process and project draw process;
 - d. Enhance reporting to provide visually compelling and easy-to-process charts and graphical reports to track housing development status;
 - e. Upgrade the technology platform and relocate the system to the cloud; and
 - f. Provide production support.
5. Homeless Management Information System (HMIS) – Enhancement and support for the new HMIS for the HOPWA Program.
- a. Case management and client record tracking to fulfill U.S. Housing and Urban Development (HUD) Department’s record keeping requirement; and
 - b. Collect data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness
6. Accessible Housing Program (AcHP) – Enhance the AcHP System to be able to support additional required components:
- a. Enhance the internal staff portal by extending its functionality, optimizing its performance, and integrating it with other systems to improve overall efficiency;
 - b. Enhance the AcHP reporting system by expanding its capabilities and creating visually appealing and easily comprehensible charts and graphical reports that facilitate effective progress tracking; and
 - c. Optimize the user experience of the affordable and accessible housing registry website by extending the site's coverage to include new properties, and implementing enhancements to improve overall usability and accessibility.

D. Types of Services

The types of services to be performed by the Contractor include one or more of the following:

1. Design, develop, install, and support computer applications that enhance the efficiency and effectiveness of the LAHD operations and ensure the effectiveness of overall systems performance. Application projects include existing and unexpected new projects due to new ordinances, court mandates, or departmental needs;

2. Design, develop, implement, and maintain workgroup and enterprise databases, data administration and management processes that ensure the availability, integrity and efficient integration of data in applications;
3. Perform business and systems analyses to facilitate and coordinate the development of technology solutions to departmental business and operational requirements and evaluate technology alternatives;
4. Design, develop, install, administer and support stability and efficiency of the more complex control software and network systems; plan, design, implement and configure large multi-segmented local and wide area networks; and manage and optimize control and network system performance and interoperability; and
5. Design, develop, implement, and maintain business intelligence systems solutions, including integration with databases and data warehousing.

E. Additional Requirements

1. The Contractor shall ensure that employees assigned to LAHD to perform services under this Agreement (“Contractor Staff”) have the computer hardware, antivirus software, and internet connectivity necessary to perform the services. This includes having a laptop or desktop computer with a camera. The internet connection shall have a minimum speed of 300 Mbps. LAHD shall supply a remote access machine equipped with the following software: Visual Studio and MSSQL, PowerBi, Microsoft Office, Adobe Acrobat Professional, and Google products: Google Drive, Google Docs, Google Sheet, Google Meet, and Gmail.
 - a. LAHD will not provide hardware.
 - b. Minimum hardware requirements:
 - 1) CPU - AMD Ryzen 5700 or above or Intel i5 and above
 - 2) RAM - 16 GB
 - 3) Hard drive space - Minimum of 500 GB. For software developers who need to load SQL databases, minimum of 1 TB is recommended
 - 4) Operating System - Windows 10 or 11 (preferred), or MacOS 13 or 14 (preferred)
2. Contractor Staff shall adhere to LAHD’s designated work hours and seek approval from their LAHD manager for any deviations. LAHD operates on a 5-day, 40-hour work week, Monday through Friday, beginning between 7 am to 9 am Pacific Time and concluding between 4 pm to 6 pm Pacific Time, with a lunch break ranging from 30 minutes to 1 hour (“LAHD work hours”). Deviations from this schedule are permissible with LAHD manager approval.

3. Contractor Staff shall record their daily attendance at the beginning and end of each workday.
4. Contractor Staff shall attend all meetings to which they are invited. Any absence from meetings must be approved in advance by their LAHD manager.
5. Contractor Staff shall turn on their camera for meetings as necessary or as requested by LAHD management.
6. Contractor Staff shall obtain approval for any outside employment, and are not permitted to engage in outside employment during LAHD work hours.
7. Contractor Staff shall be accessible during LAHD work hours and is required to respond to chats within 10 minutes.
8. Contractor Staff shall request and receive approval for all leave from their LAHD manager. Once approved, Contractor Staff shall update their calendar and set up an “out of office” notification. Unauthorized leave may result in the Contractor Staff’s termination from providing further services under this Agreement.
9. Contractor Staff shall provide documentation of their absence upon request by their LAHD manager, usually required for absences lasting two or more consecutive days.

III. PAYMENT

§301. Compensation and Method of Payment

- A. The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, an amount not to exceed **Six Million Eight Hundred Seventy-Eight Thousand Six Hundred Sixty-Four Dollars (\$6,878,664)**, according to Exhibit C - Professional Fee Schedule. The foregoing amount represents the total maximum compensation to be paid by the City to Contractor for services to be performed as designated by this Agreement. The Contractor understands and agrees that execution of this Agreement does not guarantee that any or all funds will be expended.
- B. The Contractor shall submit monthly invoices to LAHD. Each monthly invoice shall:
 - a) be submitted on the Contractor’s letterhead;
 - b) include the name, hours, rate of pay for all personnel to be paid;
 - c) include evidence of the completed project;
 - d) include supporting documentation for all approved purchases of equipment or supplies; and
 - e) be accompanied by a statement detailing the work completed for the month. All

expenses for travel must receive prior approval from the City and must be documented and will be paid only in conformance with City policies and procedures. Funds shall not be released until the City has approved the work received and is satisfied with the documentation included in the invoice.

- C. It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.
- D. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the Contractor for any costs incurred for invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time. All invoices must be signed by an officer of the Contractor under penalty of perjury that the information submitted is true and correct.
- E. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and shall warrant that any applicable discounts have been included in the costs to the City.
- F. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

IV. STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

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

§402. Applicable Law, Interpretation and Enforcement

Each party’s performance shall comply with all applicable laws of the United States of America, the State of California, and the City, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Agreement shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. The Contractor shall comply with new, amended, or revised

laws, regulations, or procedures that apply to the performance of this Agreement with no additional compensation paid to the Contractor.

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

If any part, term or provision of this Agreement is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected.

§403. Time of Effectiveness

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

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

§404. Integrated Contract

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter of this Agreement, and replaces any and all previous contracts or understandings, whether written or oral, relating thereto. This Agreement may be amended only as provided for in the provisions of §405 herein.

§405. Amendment

All amendments to this Agreement shall be in writing and signed and approved pursuant to the provisions of §403.

§406. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Agreement, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts

(other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as “Force Majeure Events”).

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of the Contractor shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both the Contractor and Subcontractor, and without any fault or negligence of either of them. In such case, the Contractor shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to perform timely. As used in this Agreement, the term “Subcontractor” means a subcontractor at any tier.

In the event the Contractor’s delay or failure to perform arises out of a Force Majeure Event, the Contractor agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

§407. Waiver

A waiver of a default of any part, term or provision of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party’s performance after the other party’s default shall not be construed as a waiver of that default.

§408. Suspension

At the City’s sole discretion, the City may suspend any or all services provided under this Agreement by providing the Contractor with written notice of suspension. Upon receipt of the notice of suspension, the Contractor shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to the City until the City gives written notice to recommence the services.

§409. Termination

A. Termination for Convenience

The City may terminate this Agreement for the City’s convenience at any time by providing the Contractor thirty days written notice. Upon receipt of the notice of termination, the Contractor shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. The City shall pay the Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by the Contractor to effect the termination. Thereafter, the Contractor shall have no further

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

B. Termination for Breach of Contract

1. Except as provided in §406, if the Contractor fails to perform any of the provisions of this Agreement or so fails to make progress as to endanger timely performance of this Agreement, the City may give the Contractor written notice of the default. The City's default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of the City. Additionally, the City's default notice may offer the Contractor an opportunity to provide the City with a plan to cure the default, which shall be submitted to the City within the time period allowed by the City. At the City's sole discretion, the City may accept or reject the Contractor's plan. If the default cannot be cured or if the Contractor fails to cure within the period allowed by the City, then the City may terminate this Agreement due to the Contractor's breach of this Agreement.
2. If the default under this Agreement is due to the Contractor's failure to maintain the insurance required under this Agreement, the Contractor shall immediately: (1) suspend performance of any services under this Agreement for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. The Contractor shall not recommence performance until the Contractor is fully insured and in compliance with the City's requirements.
3. If a federal or state proceeding for relief of debtors is undertaken by or against the Contractor, or if the Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this Agreement.
4. If the Contractor engages in any dishonest conduct related to the performance or administration of this Agreement or violates the City's laws, regulations or policies relating to lobbying, then the City may immediately terminate this Agreement.
5. Acts of Moral Turpitude
 - a. The Contractor shall immediately notify the City if the Contractor or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").

- b. If the Contractor or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, the City may immediately terminate this Agreement.
 - c. If the Contractor or a Key Person is charged with or indicted for an Act of Moral Turpitude, the City may terminate this Agreement after providing the Contractor an opportunity to present evidence of the Contractor's ability to perform under the terms of this Agreement.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.
 - e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Agreement, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of the Contractor.
6. In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in the manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and the Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
 7. If, after notice of termination of this Agreement under the provisions of this section, it is determined for any reason that the Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to §409.A "Termination for Convenience".
 8. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.
- C. In the event that this Agreement is terminated, the Contractor shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Agreement within five working days of the termination.

§410. Independent Contractor

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

§411. Contractor's Personnel

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

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

§412. Assignment and Delegation

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

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

§413. Permits

The Contractor and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for the Contractor's performance of this Agreement. The Contractor shall immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to the Contractor's performance of this Agreement.

§414. Claims for Labor and Materials

The Contractor shall promptly pay when due all amounts owed 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 City property (including reports, documents, and other tangible or intangible matter produced by the Contractor hereunder),

and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Agreement.

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

For the duration of this Agreement, the Contractor shall maintain valid Business Tax Registration Certificate(s) as required by the City's Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

§416. Retention of Records, Audit, and Reports

The Contractor shall maintain all records, including records of financial transactions, pertaining to the performance of this Agreement, in their original form or as otherwise approved by the City. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by the City, (2) the expiration of this Agreement or (3) termination of this Agreement. The records will be subject to examination and audit by authorized City personnel or the City's representatives at any time. The Contractor shall provide any reports requested by the City regarding performance of this Agreement. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, the Contractor may, upon the City's written approval, submit the required information to the City in an electronic format, e.g. USB flash drive, at the expiration or termination of this Agreement.

§417. Bonds

All bonds required by the City shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 et seq., as amended from time to time.

§418. Indemnification

Except for the active negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, the Contractor shall defend, indemnify, and hold harmless the City and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including the 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 an act, error, or omission by the Contractor, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of the City provided in this section shall not

be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement. This provision will survive expiration or termination of this Agreement.

§419. Intellectual Property Indemnification

The Contractor, at its own expense, shall defend, indemnify, and hold harmless the City, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by the Contractor, or its Subcontractors, in performing the work under this Agreement; or (2) as a result of the City's actual or intended use of any Work Product (as defined in §421) furnished by the Contractor, or its Subcontractors, under this Agreement. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement. This provision will survive expiration or termination of this Agreement.

§420. Intellectual Property Warranty

The Contractor represents and warrants that its performance of all obligations under this Agreement does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

§421. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Agreement including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by the Contractor or its Subcontractors under this Agreement (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of the City for its use in any manner the City deems appropriate. The Contractor hereby assigns to the City all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Agreement. The Contractor further agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

The Contractor agrees that a monetary remedy for breach of this Agreement may be inadequate, impracticable, or difficult to prove and that a breach may cause the City irreparable harm. The City may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude the City from seeking or obtaining any other relief to which the City may be entitled.

For all Work Products delivered to the City that are not originated or prepared by the Contractor or its Subcontractors under this Agreement, the Contractor shall secure a grant, at no cost to the City, for a non-exclusive perpetual license to use such Work Products for any City purposes.

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

Any subcontract entered into by the Contractor relating to this Agreement shall include this provision to contractually bind its Subcontractors performing work under this Agreement such that the City's ownership and license rights of all Work Products are preserved and protected as intended herein.

§422. Data Protection

- A. The Contractor shall protect, using the most secure means and technology that is commercially available, the City-provided data or consumer-provided data acquired in the course and scope of this Agreement, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). The Contractor shall notify the City in writing as soon as reasonably feasible, and in any event within twenty-four hours, of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by the City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to the City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with the City. At the City's sole discretion, the City and its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with the City, its agents and law enforcement.
- B. If the City is subject to liability for any Data Breach or Security Incident, then the Contractor shall fully indemnify and hold harmless the City and defend against any resulting actions.

§423. Insurance

During the term of this Agreement and without limiting the Contractor's obligation to indemnify, hold harmless and defend the City, the Contractor shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit A hereto). The insurance must: (1) conform to the City's requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit A hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. The Contractor shall comply with all Insurance Contractual Requirements shown on Exhibit A hereto. Exhibit A is hereby incorporated by reference and made a part of this Agreement.

§424. Best Terms

Throughout the term of this Agreement, the Contractor, shall offer the City the best terms, prices, and discounts that are offered to any of the Contractor's customers for similar goods and services provided under this Agreement.

§425. Warranty and Responsibility of Contractor

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

§426. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Agreement is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

A. The Contractor shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.

B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Agreement by reference.

- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Agreement by reference and will be known as the “Equal Employment Practices” provisions of this Agreement.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Agreement by reference and will be known as the “Affirmative Action Program” provisions of this Agreement.

Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§427. Child Support Assignment Orders

The Contractor shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, the Contractor shall fully comply with all applicable State and Federal employment reporting requirements. Failure of the Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of the Contractor to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the Contractor under this Agreement. Failure of the Contractor or principal owner to cure the default within 90 days of the notice of default will subject this Agreement to termination for breach. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§428. Living Wage Ordinance

The Contractor shall comply with the Living Wage Ordinance, LAAC Section 10.37 et seq., as amended from time to time. The Contractor further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§429. Service Contractor Worker Retention Ordinance

The Contractor shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§430. Access and Accommodations

The Contractor represents and certifies that:

- A. The Contractor shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. The Contractor shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. The Contractor shall provide reasonable accommodation upon request to ensure equal access to City-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Agreement are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

The Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§431. Contractor Responsibility Ordinance

The Contractor shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

§432. Business Inclusion Program

Unless otherwise exempted prior to bid submission, the Contractor shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Agreement. The Contractor shall utilize the City's Regional Alliance Marketplace for Procurement ("RAMP") at www.rampla.org, to perform and document outreach to Minority, Women, and Other Business Enterprises. The Contractor shall perform subcontractor outreach activities through RAMP. The Contractor shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall the Contractor reduce their level of effort, without prior written approval of the City.

§433. Slavery Disclosure Ordinance

The Contractor shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§434. First Source Hiring Ordinance

The Contractor shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§435. Local Business Preference Ordinance

The Contractor shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§436. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with the City for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

§437. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Agreement is valued at \$100,000 or more and requires approval by an elected City office, the Contractor, the Contractor’s principals, and the Contractor’s Subcontractors expected to receive at least \$100,000 for performance under the Agreement, and the principals of those Subcontractors (the “Restricted Persons”) shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the City to terminate this Agreement and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected City officials or candidates for elected City office for twelve months after this Agreement is signed. Additionally, a Contractor subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any Contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Agreement:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract # C-146218. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“City”) officials and candidates for elected City office for twelve months after the City contract is signed. You are

required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten business days if it changes during the twelve-month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

§438. Contractors’ Use of Criminal History for Consideration of Employment Applications

The Contractor shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Agreement must include an identical provision.

§439. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Agreement, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Agreement. The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until the City appropriates additional funds for this Agreement.

§440. Compliance with Identity Theft Laws and Payment Card Data Security Standards

The Contractor shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. The Contractor also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, the Contractor shall verify proper truncation of receipts in compliance with FACTA.

§441. Compliance with California Public Resource Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as

referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, the Contractor shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by the City. The Contractor is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of the Contractor working on premises to pass a fingerprint and background check through the California Department of Justice at the Contractor's sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

§442. Possessory Interests Tax

Rights granted to the Contractor by the City may create a possessory interest. The Contractor agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, the Contractor shall pay the property tax. The Contractor acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

§443. Confidentiality

All documents, information, City Data (as that term is defined in §422), and materials provided to the Contractor by the City or developed by the Contractor pursuant to this Agreement (collectively "Confidential Information") are confidential. The Contractor shall not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein either orally or in writing, to any person or entity, except as authorized by the City or as required by law. The Contractor shall immediately notify the City of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Agreement.

§444. Contractor Data Reporting

If the Contractor is a for-profit, privately owned business, the Contractor shall, within 30 days of the effective date of the Agreement and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Agreement), report the following information to the City via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by the City: the Contractor's and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). The Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by the City.

§445. Conflict of Interest

A. No City-funded Employees as Board Members

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

B. Code of Conduct

1. The City requires that all Contractors/Subcontractors adopt a Code of Conduct which at minimum reflects the constraints discussed in LAHD Directive Number FY12-0001 (“Directive FY12-0001”). A copy of Directive FY12-0001 has been provided to Contractor by LAHD and Contractor acknowledges receipt of Directive FY12-0001. No Agreements and/or Amendments will be executed without Contractor’s adoption of this Code of Conduct.
2. Further, the City requires compliance with the following conflict of interest requirements for all City funded contractors.

C. Conflict of Interest

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.

3. Definitions:

- a. 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, and daughter-in-law.
- b. The term “financial or other interest” includes, but is not limited to:
 - (1) 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.
 - (2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent (5%) or more; ownership of five percent (5%) or more of the stock; employment in a managerial capacity; or membership on the Board of Directors or governing body.
- c. 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 (1) year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any 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 (1) year thereafter.

- K. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project, and shall substitute the term “subcontractor” for the term “Contractor” and “sub-subcontractor” for “Subcontractor”.
- L. Unless an exemption/waiver to Directive FY12-0001 was requested by Contractor and approved by LAHD in writing prior to the execution of this Agreement, Contractor shall be deemed to have adopted the Code of Conduct set forth within Directive FY12-0001 that meets the foregoing requirements upon execution of this Agreement, and Contractor shall comply with the Code of Conduct throughout the term of this Agreement.

§446. Disclosure of Border Wall Contracting Ordinance

The Contractor shall comply with Los Angeles Administrative Code Section 10.50, ‘Disclosure of Border Wall Contracting.’ The City may terminate this Agreement at any time if the City determines that the Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in Section 10.50.

§447. City’s Additional Remedies

The Contractor acknowledges and agrees that nothing contained in this Agreement is, represents, or is intended to be construed as: a release, compromise, settlement, or waiver by the City of any cause of action that the City may have against the Contractor. The City reserves its rights in full, including, but not limited to, the right to bring any claim, cause of action, or request for reimbursement against the Contractor in relation to this Agreement and other transactions between the City and the Contractor.

§448. Payment Does Not Imply Acceptance of Work

The granting of any payment by the City, or the receipt thereof by the Contractor, in no way lessens the liability of the Contractor to replace unsatisfactory work, equipment, or materials although the unsatisfactory character of this work, equipment or materials may not have been apparent or detected at the time the payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the City and upon rejection must be replaced by the Contractor without delay.

§449. Work Not in Scope of Services

The Contractor shall immediately notify LAHD in writing of any work that is requested to be performed that is outside of the original scope of work covered by this Agreement and

§202 above. If it is determined that the request is outside of the scope of work, the Contractor shall not perform the requested work unless and until (i) the City's designated contract administrator approves the request in writing and authorizes the use of any contingency funds for the work, and (ii) an amendment providing for an adjustment in the Contractor's compensation, and the scope of work, is approved and executed by both parties.

§450. Compliance with Current Applicable Safety Protocols and Laws

The Contractor, and any of its subcontractors, if applicable, shall comply with any and all safety protocols, current laws, regulations, and public health orders to ensure the health and safety of both the Contractor's employees, any subcontractors, and the public.

V. DATA SECURITY AND PRIVACY

§501. Data Ownership

As between the parties, City is the sole and exclusive owner of all data and information provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. The Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. The Contractor shall not possess or assert any lien or other right against, or to City Data. City may request an export of City Data stored within the systems or held by the Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants the Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

§502. Data Protection

A. The Contractor shall use best efforts, but in no event less than information security industry standard protections, for the type of data at issue, to prevent unauthorized access to, or use, disclosure, or exposure of City Data. To this end, the Contractor shall safeguard the confidentiality, integrity, and availability of City Data, including all information obtained by the Contractor under this Agreement.

B. The Contractor shall implement and maintain appropriate administrative, technical, and organization security measures to safeguard against unauthorized access, disclosure, or theft of City Data or a candidate's personal information. Such security measures shall be in accordance with recognized industry best practices and the standard of care imposed by local, state and federal laws and regulations

relating to the protection of such information. In the absence of any legally imposed or industry standard of care, the Contractor shall safeguard City Data using measures no less stringent than the measures the Contractor applies to the Contractor's own personal data and non-public data of similar kind.

- C. Unless otherwise expressly agreed to by City in writing, the Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.
- D. At no time may any content or City processes be copied, disclosed, or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include City and involve City approval.
- E. At any time during the term of this Agreement, at City's written request, the Contractor shall, and shall instruct all of its employees and subcontractors to, promptly return to City all copies, whether in written, electronic, or other form of media, of City Data in its possession, or securely dispose of all such copies, and certify in writing to City that such City Data has been returned to City or disposed of securely. The Contractor shall comply with all reasonable directions provided by City with respect to the return or disposal of City Data. Except as set forth in this provision and the Scope of Services, the Contractor's obligations to retain City Data during the term of this Agreement and following (1) final payment made by City, (2) the expiration of this Agreement, or (3) the termination of this Agreement, are governed by §416, above. After the Contractor has retained City Data for the period(s) in §416, above, the Contractor shall securely dispose of all City Data, and certify in writing to City, within 30 days of the expiration of Retention Period, that City Data has been securely disposed of.

§503. Compliance with Privacy Laws.

The Contractor shall ensure that the Contractor's performance of the Contractor's obligations under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, including, but not limited to, laws relating to consent to make visual and audio recordings of individuals and consent to collect information from individuals. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and the Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and the Contractor shall complete and deliver any documents necessary to compliance.

§504. Confidential Information

The Contractor understands that all original material, and personal information disclosed by the City or third parties whether written or readable by machine, including written or

recorded data, documents, graphic displays, reports, and other documentation or other materials which contain information relating to the Contractor's performance hereunder are considered confidential property of City. The Contractor understands the sensitive nature of the above and therefore agrees that neither its officers, partners, employees, agents, contractors or subcontractors will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, nor other materials except as provided herein or as authorized, in writing, by City's representative. This section shall remain in effect after the termination of this Agreement. The provisions of this subsection shall survive expiration or termination of this Agreement.

§505. Provision of Data

Upon termination of this Agreement for any cause or reason (including City's breach), the Contractor shall provide City with a copy of all City Data in the Contractor's possession in a mutually agreeable machine-readable format.

§506. Data, Development, and Access-Point Location

Storage of City Data shall be located in the continental United States of America. The Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at the Contractor's continental United States of America headquarters or data centers. The Contractor shall neither access, nor allow a third party to access systems housing City Data from any location outside of the continental United States of America. Notwithstanding anything to the contrary in this Agreement, and only after obtaining prior written approval of City, the Contractor may grant personnel and contractors located outside the continental United States remote read-only access to City Data only as required to provide proctoring and other technical support in relation to the services contemplated herein. The Contractor shall obtain the City's prior written approval for each of its employees, contractors, officers, partners, consultants, principals, agents, affiliates, or subsidiaries who are essential for the purpose of providing the services under this Agreement ("Authorized Persons"). When the Contractor submits a request for City's prior written approval, it shall describe the proposed Authorized Person's role and the necessity for the proposed Authorized Person to access City Data. The Contractor shall at all times cause such Authorized Persons to abide strictly by the Contractor's obligations under this Agreement and the industry standards for information security. The Contractor hereby agrees that only Authorized Persons who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this Agreement will access City Data, and will do so only for the purpose of enabling the Contractor to perform its obligations under this Agreement.

§507. Data Breach

The Contractor shall protect City Data using the most secure means and technology that is consistent with industry standards for the type of data at issue. The Contractor shall notify City as soon as reasonably feasible, but in any event, within twenty-four (24) hours in

writing and telephonically of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. If directed by City, the Contractor shall retain an independent third party to conduct the investigation at Contractor's sole cost. At City's sole discretion, City and/or its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with City, its agents and law enforcement. The Contractor is responsible for all costs associated with a Data Breach or Security Incident, including, if directed by City, the provision of identity protection services to individuals affected by the Security Incident. If required by law or directed by City, the Contractor will be responsible for notifying individuals impacted by the Security Incident or Data Breach, with City having final approval of the content of the notification. In the event City incurs any costs related to the breach referenced above, City will seek reimbursement from Contractor or reduce the Contractor's invoice for costs associated with breach of security.

§508. Data Breach Liability

If City is subject to any claims relating to any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless City and defend City against any such claims, including reimbursement of any costs and attorney fees incurred by City relating to those claims. This obligation is in addition to any of the Contractor's other indemnification obligations in this Agreement.

§509. Firewalls and Access Controls

- A. Access Precautions. The Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:
1. Prevent anyone other than City, the Contractor, and authorized City or the Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data;
 2. Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and
 3. Prevent the disclosure of City and the Contractor passwords and other access control information to anyone other than authorized City personnel.

- B. Security Best Practices. The Contractor shall implement the following security best practices with respect to any service provided:
1. Least Privilege: The Contractor shall authorize access only to the minimum amount of resources required for a function.
 2. Separation of Duties: The Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.
 3. Role-Based Security: The Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.
- C. Access Restrictions. The Contractor shall restrict the use of, and access to, administrative credentials for City accounts and the Contractor's systems to only those of the Contractor's employees and other agents whose access is essential for the purpose of providing the services of this Agreement. The Contractor shall require these personnel to log on using an assigned user-name and password when administering City accounts or accessing City Data. These controls must enable the Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. The Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. The Contractor will implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. The Contractor will disable user accounts after at most ten (10) consecutive invalid authentication attempts.

§510. Right of Audit by City

Without limiting any other audit rights of City, upon reasonable advance notice of at least thirty (30) days, City may review the Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this Agreement. At City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14) days of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program. These audit rights are in addition to any other audit rights set forth in §416 above.

§511. Written Information Security Policy

The Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively "Information Security Policy"), and communicate the Information Security Policy to all of its respective employees and contractors in a relevant, accessible, and understandable form. The Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws

and regulations, and to address new threats and risks. Within five (5) business days of City's request, the Contractor shall make available for City's review the Contractor's Information Security Policy and any related SOC audits, information security certifications, or other evidence that the Contractor has in place appropriate policies and procedures regarding information protection and security.

§512. Change in Service

The Contractor shall notify City of any changes, enhancement, and upgrades to the Contractor's systems, or changes in other related software services, as applicable, which can impact the security of the services.

VI. ENTIRE AGREEMENT

§601. Complete Agreement

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

§602. Ratification Clause

The Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted according to the City's discretion.

§603. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

§604. Number of Pages and Attachments

This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes thirty-three (33) pages and three (3) Exhibits which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the Regional Alliance Marketplace for Procurement (RAMP) website.

[Remainder of page left intentionally blank.]

[Signatures begin on next page.]

VII. SIGNATURE PAGE

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

APPROVED AS TO FORM: Executed this ____ day of _____, 2026

HYDEE FELDSTEIN SOTO, City Attorney For: THE CITY OF LOS ANGELES

By _____
Deputy/Assistant City Attorney

TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

Date _____

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

ATTEST:
PATRICE Y. LATTIMORE, City Clerk

By _____
Luz C. Santiago
Assistant General Manager

By _____
Deputy City Clerk

Executed this ____ day of _____, 2026

For: Trinus Corporation, a Delaware for profit corporation

Date _____

By _____
Harshada Kucheria
President

By _____
Sanjay Kucheria
Chief Executive Officer

City Business License Number: 0002462415-0001-1
Internal Revenue Service Taxpayer Identification Number: 95-4514823
Council File/CAO File Number: ##-####; Date of Approval: ##/##/2026
Said Agreement is Number C-146218 of City Contracts

Trinus Corporation
Second Amended and Restated C-146218

EXHIBIT A

Form Gen 146 (Rev. 6/12)
Required Insurance and Minimum Limits

Name: Trinus Corporation Date: 07/17/2024

Agreement/Reference: Information Technology Professional Services

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

		Limits
<input checked="" type="checkbox"/> Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)		WC <u>Statutory</u>
		EL \$ <u>1,000,000</u>
<input checked="" type="checkbox"/> Waiver of Subrogation in favor of City	<input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act	
<input checked="" type="checkbox"/> General Liability – City of LA is required to be named as an Additional Insured		
<input checked="" type="checkbox"/> Products/Completed Operations	<input type="checkbox"/> Sexual Misconduct	\$ <u>1,000,000</u>
<input type="checkbox"/> Fire Legal Liability	<input type="checkbox"/> _____	
<input type="checkbox"/> Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)		\$ _____
<input checked="" type="checkbox"/> Professional Liability (Errors and Omissions) Discovery Period <u>12 Months After Completion of Work or Date of Termination.</u>		\$ <u>1,000,000</u>
<input type="checkbox"/> Property Insurance (to cover replacement cost of building - as determined by insurance company)		
<input type="checkbox"/> All Risk Coverage	<input type="checkbox"/> Boiler and Machinery	\$ _____
<input type="checkbox"/> Flood	<input type="checkbox"/> Builder's Risk	
<input type="checkbox"/> Earthquake	<input type="checkbox"/> _____	
<input type="checkbox"/> Pollution Liability		\$ _____
<input type="checkbox"/> _____		
<input type="checkbox"/> Surety Bonds – Performance and Payment (Labor and Materials) Bonds		100% of the contract price
<input type="checkbox"/> Crime Insurance		\$ _____

Other:

1) Cyber Liability (\$1 million)

2) In the absence of imposed Auto Liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

EXHIBIT A
INSURANCE CONTRACTUAL REQUIREMENTS

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

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

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

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

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

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

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

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

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this

Contract.

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

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

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, §403, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

EXHIBIT B
NOTICE OF PROHIBITION AGAINST RETALIATION

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(English\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(English)%2005.2024.pdf) and in Spanish at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(Spanish\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(Spanish)%2005.2024.pdf)). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

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

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

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

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

For more information, or to obtain a complaint form, please contact the Equal Employment Opportunity Enforcement Section at bca.eeoe@lacity.org.

**CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
BCA.EEOE@LACITY.ORG**

EXHIBIT C
PROFESSIONAL FEE SCHEDULE

Services shall be compensated according to the following fee schedule:

HOURLY BILLING RATE AND COST SCHEDULE					OVERHEAD		TOTAL
Position Description	Level	Base Rate	Other Compensation	Total Paid to Employee	Administrative Costs	Profit Margin	Total Billing Rate
Application Programmer	Proficient Rate	70-80	4-8	74-88	\$4	\$6	84-98
	Advanced Rate	81-91	4-8	85-99	\$4	\$6	95-109
Business Analyst	Proficient Rate	54-67	4-8	58-75	\$4	\$6	68-85
	Advanced Rate	65-76	4-8	69-84	\$4	\$6	79-94
Business Intelligence Specialist	Proficient Rate	69-79	4-8	73-87	\$4	\$6	83-97
	Advanced Rate	79-89	4-8	83-97	\$4	\$6	93-107
Database Architect	Proficient Rate	69-79	4-8	73-87	\$4	\$6	83-97
	Advanced Rate	79-89	4-8	83-97	\$4	\$6	93-107
Geographic Information Specialist	Proficient Rate	74-84	4-8	78-92	\$4	\$6	88-102
	Advanced Rate	84-94	4-8	88-102	\$4	\$6	98-112
Junior Programmer	Proficient Rate	49-59	4-8	53-67	\$4	\$6	63-77
	Advanced Rate	59-69	4-8	63-77	\$4	\$6	73-87
Junior Analyst	Proficient Rate	44-55	4-8	48-63	\$4	\$6	58-73
	Advanced Rate	58-68	4-8	62-76	\$4	\$6	72-86
Programmer Analyst	Proficient Rate	59-69	4-8	63-77	\$4	\$6	73-87
	Advanced Rate	69-79	4-8	73-87	\$4	\$6	83-97
Project Manager	Proficient Rate	68-81	4-8	72-89	\$4	\$6	82-99
	Advanced Rate	77-89	4-8	81-97	\$4	\$6	91-107
Systems Programmer	Proficient Rate	69-79	4-8	73-87	\$4	\$6	83-97
	Advanced Rate	79-89	4-8	83-97	\$4	\$6	93-107
UX Designer	Proficient Rate	61-71	4-8	65-79	\$4	\$6	75-89
	Advanced Rate	74-84	4-8	78-92	\$4	\$6	88-102
Data Analyst	Proficient Rate	57-70	4-8	61-78	\$4	\$6	71-88
	Advanced Rate	68-79	4-8	72-87	\$4	\$6	82-97

Offshore		
Position Description	Level	Total Billing Rate
Application Programmer	Proficient Rate	\$ 33.30
	Advanced Rate	\$ 37.30
Business Analyst	Proficient Rate	\$ 31.40
	Advanced Rate	\$ 35.80
Business Intelligence Specialist	Proficient Rate	\$ 35.35
	Advanced Rate	\$ 38.70
Database Architect	Proficient Rate	\$ 35.00
	Advanced Rate	\$ 39.75
Geographic Information Specialist	Proficient Rate	\$ 32.35
	Advanced Rate	\$ 36.70
Junior Programmer	Proficient Rate	\$ 29.80
	Advanced Rate	\$ 33.80
Junior Analyst	Proficient Rate	\$ 29.00
	Advanced Rate	\$ 33.15
Programmer Analyst	Proficient Rate	\$ 30.35
	Advanced Rate	\$ 34.80
Project Manager	Proficient Rate	\$ 33.60
	Advanced Rate	\$ 37.20
Systems Programmer	Proficient Rate	\$ 35.00
	Advanced Rate	\$ 37.20
UX Designer	Proficient Rate	\$ 28.00
	Advanced Rate	\$ 33.00
Data Analyst	Proficient Rate	\$ 34.40
	Advanced Rate	\$ 37.80

THIRD AMENDED AND RESTATED
PROFESSIONAL SERVICES AGREEMENT

Contractor: 3Di, Inc.

Title: Information Technology Professional Services

Said Agreement is Number C-146057 of City Contracts

DRAFT

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Exhibits

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THIRD AMENDED AND RESTATED
AGREEMENT NUMBER C-146057 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
3DI, INC.

THIS **THIRD** AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into by and between the City of Los Angeles (“City”), a municipal corporation, and 3Di, Inc. (“Contractor”), a California for-profit corporation (sometimes collectively referred to herein as the “Parties”).

RECITALS

WHEREAS, the Los Angeles Housing Department (“LAHD”), is charged with the development of citywide housing policy and support of safe and livable neighborhoods through the promotion, development and preservation of decent and affordable housing; and

WHEREAS, the City 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 which is the subject of this Agreement has been established by the City as one of the above-described programs, and has been funded in the LAHD budget with eligible administered fund(s) which has been approved by the Los Angeles City Council and the Mayor; and

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

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

WHEREAS, on May 8, 2023, the City released a Request for Proposals (RFP) to select contractors to provide information technology professional services (hereinafter, the “Services”), and the Contractor applied to and was awarded a contract under the RFP; and

WHEREAS, on June 18, 2024 and June 27, 2024, City Council and the Mayor approved the execution of a contract with the Contractor to provide the Services for an amount not to exceed One Million Eight Hundred Twenty-Five Thousand One Hundred Thirty-Seven Dollars (\$1,825,137), for a term of one (1) year commencing on July 1, 2024 and ending on June 30, 2025, with the option to extend for up to two additional one-year terms (Council File Number 24-0500),

pursuant to which the Parties entered into Contract Number C-146057, executed by the City Clerk on August 22, 2024 (“Original Agreement”); and

WHEREAS, on November 5, 2024 and November 18, 2024, City Council and the Mayor approved an amendment to Contract Number C-146057 to add additional funds in the amount of Fifty-One Thousand Four Hundred Dollars (\$51,400) for a new contract total of One Million Eight Hundred Seventy-Six Thousand Five Hundred Thirty-Seven Dollars (\$1,876,537) (Council File Number 21-0042-S8), pursuant to which the Parties entered into the First Amended and Restated Agreement, executed by the City Clerk on December 18, 2024 (“First Amended and Restated Agreement”), which amended, restated and replaced the Original Agreement in its entirety; and

WHEREAS, on June 24, 2025 and July 3, 2025, City Council and the Mayor approved an amendment to Contract Number C-146057 to (a) add additional funds in the amount of Two Million Three Hundred Twenty Thousand Forty Dollars (\$2,320,040) for a new contract total of Four Million One Hundred Ninety-Six Thousand Five Hundred Seventy-Seven Dollars (\$4,196,577) and (b) extend the contract term by one (1) year through June 30, 2026 (Council File Number 25-0525), pursuant to which the Parties entered into the Second Amended and Restated Agreement, executed by the City Clerk on August 7, 2025 (“Second Amended and Restated Agreement”), which amended, restated and replaced the First Amended and Restated Agreement in its entirety; and

WHEREAS, the City and the Contractor are desirous of further amending and restating Contract Number C-146057 as authorized by the action of the Los Angeles City Council and the Mayor (Council File Number 26-XXXX adopted by City Council on MONTH DAY, 2026 and concurred by the Mayor on MONTH DAY, 2026), which authorizes the General Manager of LAHD to amend and restate Contract Number C-146057 for the purpose(s) of: (a) adding additional funds in the amount of **Six Hundred Five Thousand Dollars** (\$605,000) for a new total of **Four Million Eight Hundred One Thousand Five Hundred Seventy-Seven Dollars (\$4,801,577)** and (b) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Agreement; and

WHEREAS, this Agreement completely amends, restates, and replaces the Second Amended and Restated Agreement in its entirety.

[Remainder of page left intentionally blank]

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

I. INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The City of Los Angeles, a municipal corporation, having its principal office at 200 North Spring Street, Los Angeles, California 90012.
- B. The Contractor, known as 3Di, Inc., a California for-profit corporation, having its principal office at 3 Pointe Drive, Suite #307, Brea, California 92821.

§102. Representatives of the Parties and Service of Notices

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

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

Tiena Johnson Hall, General Manager
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

With copies to:
Kim Ly, Director, Systems Division
Los Angeles Housing Department
1910 West Sunset Blvd, 3rd Floor
Los Angeles, CA 90026

- 2. The representative of the Contractor shall be:

Mihir Desai, Vice President & CFO
3Di, Inc.
3 Pointe Drive, Suite #307
Brea, CA 92821
mihir.desai@3disystems.com
O: (714) 257-1100 ext. 143
C: (949) 254-5681

With copies to:

Rajiv Desai, President and CEO
3Di, Inc.
3 Pointe Drive, Suite #307
Brea, CA 92821
O: (714) 257-1100 ext. 138
C: (714) 936-9283
rajiv.desai@3disystems.com

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.

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 accordance with this section, within five (5) working days of said change.

§103. Conditions Precedent to Execution of This Agreement

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

- A. Proof of insurance in accordance with §423 of this Agreement and as detailed in Exhibit A which is made a part hereof.
- B. Certification of Compliance with the City's Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy in accordance with §428 of this Agreement attached hereto as Exhibit B which is made a part hereof.
- C. Certification of Compliance with the City's Slavery Disclosure Ordinance in accordance with §433 of this Agreement, First Source Hiring Ordinance in accordance with §434 of this Agreement, Local Business Preference Ordinance in accordance with §435 of this Agreement, and Disclosure of Border Wall Contracting Ordinance in accordance with §446 of this Agreement, all of which are available on the City of Los Angeles' Regional Alliance Marketplace for Procurement ("RAMP") at www.rampla.org, prior to award of a City contract.
- D. Contractor was provided with a copy of LAHD Directive Number FY12-0001 in accordance with §445.B.1. of this Agreement and agrees to abide therewith.

II. TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on **July 1, 2024** and end **June 30, 2026**, with the option to renew for up to one (1) additional one-year contract term. Said term is subject to the provisions herein. Performance shall not commence until the Contractor has obtained the City's approval of the documents identified in §103 above, and the insurance requirements as forth below in this Agreement.

§202. Services to be Provided by the Contractor

The Contractor shall provide contractual services which are supported by the work task schedule identified in this section. All work is subject to prior City approval. Failure to receive approval may result in withholding compensation pursuant to §301.

During the term of the contract, the contractor(s) may be called upon to identify, select and provide qualified staff to LAHD to complete a variety of projects, from application enhancement performed by one programmer analyst to application development and implementation performed by a team of information technology professionals.

The Contractor shall provide services for the following projects which shall include, but are not limited to, the following with project scopes that are subject to change based on the needs of the City:

1. Code, Compliance and Rent Information System (CCRIS) – Development of CCRIS 2.0 to replace the existing version of CCRIS with newer technologies and add new business and technology requirements that are not supported by the current system.
2. Billings Information Management Systems (BIMS) – Develop and enhance the following:
 - a. BIMS internal application upgrade.
 - b. Expose Application Programming Interface (API) so other software applications are able to programmatically obtain invoices and update ledgers via this API; and
 - c. Enhanced reporting - Develop visually compelling and easy-to-process charts and graphical reports by connecting various department's data sources including Billing Data, Code Inspection Data, and Rent Data.
3. RENT System - Enhance the Rent System to be able to support following additional required components:
 - a. New Eviction Tracking System module for the United to House LA program (ULA);
 - b. New Tenant Protection module (ULA);
 - c. AB1482 and Just Cause;
 - d. California Public Records Act (CPRA) module and data dashboard; and

- e. Develop new Point-of-Sale (POS) system to facilitate Counters for collecting fees and simplifying reconciliation.
4. Housing Information Management System (HIMS)/Affordable Housing Information System (AHIS)

Redesign and develop AHIS to replace the existing version of HIMS with newer technologies and add new business and technology requirements that are not supported by the current system.

 - a. Define requirements of the new system;
 - b. Streamline project development, loan management, and occupancy monitoring;
 - c. Automate and streamline the compliance monitoring process and project draw process;
 - d. Enhance reporting to provide visually compelling and easy-to-process charts and graphical reports to track housing development status;
 - e. Upgrade the technology platform and relocate the system to the cloud; and
 - f. Provide production support.
 5. Homeless Management Information System (HMIS) – Enhancement and support for the new HMIS for the HOPWA Program.
 - a. Case management and client record tracking to fulfill U.S. Housing and Urban Development (HUD) Department’s record keeping requirement; and
 - b. Collect data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness
 6. Accessible Housing Program (AcHP) – Enhance the AcHP System to be able to support additional required components:
 - a. Enhance the internal staff portal by extending its functionality, optimizing its performance, and integrating it with other systems to improve overall efficiency;
 - b. Enhance the AcHP reporting system by expanding its capabilities and creating visually appealing and easily comprehensible charts and graphical reports that facilitate effective progress tracking; and
 - c. Optimize the user experience of the affordable and accessible housing registry website by extending the site's coverage to include new properties, and implementing enhancements to improve overall usability and accessibility.

Types of Services

The types of services to be performed by the Contractor include one or more of the following:

1. Design, develop, install, and support computer applications that enhance the efficiency and effectiveness of the LAHD operations and ensure the effectiveness of overall systems performance. Application projects include existing and unexpected new projects due to new ordinances, court mandates, or departmental needs;
2. Design, develop, implement, and maintain workgroup and enterprise databases, data administration and management processes that ensure the availability, integrity and efficient integration of data in applications;
3. Perform business and systems analyses to facilitate and coordinate the development of technology solutions to departmental business and operational requirements and evaluate technology alternatives;
4. Design, develop, install, administer and support stability and efficiency of the more complex control software and network systems; plan, design, implement and configure large multi-segmented local and wide area networks; and manage and optimize control and network system performance and interoperability; and
5. Design, develop, implement, and maintain business intelligence systems solutions, including integration with databases and data warehousing.

Additional Requirements

1. The Contractor shall ensure that employees assigned to LAHD to perform services under this Agreement (“Contractor Staff”) have the computer hardware, antivirus software, and internet connectivity necessary to perform the services. This includes having a laptop or desktop computer with a camera. The internet connection shall have a minimum speed of 300 Mbps. LAHD shall supply a remote access machine equipped with the following software: Visual Studio and MSSQL, PowerBi, Microsoft Office, Adobe Acrobat Professional, and Google products: Google Drive, Google Docs, Google Sheet, Google Meet, and Gmail.
 - a. LAHD will not provide hardware.
 - b. Minimum hardware requirements:
 - 1) CPU - AMD Ryzen 5700 or above or Intel i5 and above
 - 2) RAM - 16 GB
 - 3) Hard drive space - Minimum of 500 GB. For software developers who need to load SQL databases, minimum of 1 TB is recommended
 - 4) Operating System - Windows 10 or 11 (preferred), or MacOS 13 or 14 (preferred)
2. Contractor Staff shall adhere to LAHD’s designated work hours and seek approval from their LAHD manager for any deviations. LAHD operates on a 5-day, 40-hour work week, Monday through Friday, beginning between 7 am to 9 am Pacific Time and concluding between 4 pm to 6 pm Pacific Time, with a lunch break ranging from 30 minutes to 1 hour (“LAHD work hours”). Deviations from this schedule are permissible with LAHD manager approval.

3. Contractor Staff shall record their daily attendance at the beginning and end of each workday.
4. Contractor Staff shall attend all meetings to which they are invited. Any absence from meetings must be approved in advance by their LAHD manager.
5. Contractor Staff shall turn on their camera for meetings as necessary or as requested by LAHD management.
6. Contractor Staff shall obtain approval for any outside employment, and are not permitted to engage in outside employment during LAHD work hours.
7. Contractor Staff shall be accessible during LAHD work hours and is required to respond to chats within 10 minutes.
8. Contractor Staff shall request and receive approval for all leave from their LAHD manager. Once approved, Contractor Staff shall update their calendar and set up an “out of office” notification. Unauthorized leave may result in the Contractor Staff’s termination from providing further services under this Agreement.
9. Contractor Staff shall provide documentation of their absence upon request by their LAHD manager, usually required for absences lasting two or more consecutive days.

III. PAYMENT

§301. Compensation and Method of Payment

- A. The City shall pay to the Contractor as compensation for complete and satisfactory performance of the terms of this Agreement, an amount not to exceed **Four Million Eight Hundred One Thousand Five Hundred Seventy-Seven Dollars (\$4,801,577)** according to Exhibit C - Professional Fee Schedule. The foregoing amount represents the total maximum compensation to be paid by the City to Contractor for services to be performed as designated by this Agreement. The Contractor understands and agrees that execution of this Agreement does not guarantee that any or all funds will be expended.
- B. The Contractor shall submit monthly invoices to LAHD. Each monthly invoice shall:
 - a) be submitted on the Contractor’s letterhead;
 - b) include the name, hours, rate of pay for all personnel to be paid;
 - c) include evidence of the completed project;
 - d) include supporting documentation for all approved purchases of equipment or supplies; and
 - e) be accompanied by a statement detailing the work completed for the month. All expenses for travel must receive prior approval from the City and must be documented

and will be paid only in conformance with City policies and procedures. Funds shall not be released until the City has approved the work received and is satisfied with the documentation included in the invoice.

- C. It is understood that the City makes no commitment to fund this Agreement beyond the terms set herein.
- D. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the Contractor. The City will not compensate the Contractor for any costs incurred for invoice preparation. The City may request, in writing, changes to the content and format of the invoice and supporting documentation at any time. The City reserves the right to request additional supporting documentation to substantiate costs at any time. All invoices must be signed by an officer of the Contractor under penalty of perjury that the information submitted is true and correct.
- E. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided hereunder and shall warrant that any applicable discounts have been included in the costs to the City.
- F. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (Cal. Gov. Code §§12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

IV. STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

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

§402. Applicable Law, Interpretation and Enforcement

Each party’s performance shall comply with all applicable laws of the United States of America, the State of California, and the City, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. The Contractor shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to the Contractor.

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

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

§403. Time of Effectiveness

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

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

§404. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of §405 herein.

§405. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of §403.

§406. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and

without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as “Force Majeure Events”).

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of the Contractor shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both the Contractor and Subcontractor, and without any fault or negligence of either of them. In such case, the Contractor shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to perform timely. As used in this Contract, the term “Subcontractor” means a subcontractor at any tier.

In the event the Contractor’s delay or failure to perform arises out of a Force Majeure Event, the Contractor agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

§407. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party’s performance after the other party’s default shall not be construed as a waiver of that default.

§408. Suspension

At the City’s sole discretion, the City may suspend any or all services provided under this Contract by providing the Contractor with written notice of suspension. Upon receipt of the notice of suspension, the Contractor shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to the City until the City gives written notice to recommence the services.

§409. Termination

A. Termination for Convenience

The City may terminate this Contract for the City’s convenience at any time by providing the Contractor thirty days written notice. Upon receipt of the notice of termination, the Contractor shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. The City shall pay the Contractor its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by the Contractor to effect the termination. Thereafter, the Contractor shall have no further claims against the City under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights the City is entitled to, shall become City property upon the date of the

termination. The Contractor agrees to execute any documents necessary for the City to perfect, memorialize, or record the City's ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in §406, if the Contractor fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the City may give the Contractor written notice of the default. The City's default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of the City. Additionally, the City's default notice may offer the Contractor an opportunity to provide the City with a plan to cure the default, which shall be submitted to the City within the time period allowed by the City. At the City's sole discretion, the City may accept or reject the Contractor's plan. If the default cannot be cured or if the Contractor fails to cure within the period allowed by the City, then the City may terminate this Contract due to the Contractor's breach of this Contract.
2. If the default under this Contract is due to the Contractor's failure to maintain the insurance required under this Contract, the Contractor shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of services. The Contractor shall not recommence performance until the Contractor is fully insured and in compliance with the City's requirements.
3. If a federal or state proceeding for relief of debtors is undertaken by or against the Contractor, or if the Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this Contract.
4. If the Contractor engages in any dishonest conduct related to the performance or administration of this Contract or violates the City's laws, regulations or policies relating to lobbying, then the City may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. The Contractor shall immediately notify the City if the Contractor or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If the Contractor or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, the City may immediately terminate this Contract.

- c. If the Contractor or a Key Person is charged with or indicted for an Act of Moral Turpitude, the City may terminate this Contract after providing the Contractor an opportunity to present evidence of the Contractor's ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.
 - e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of the Contractor.
- 6. In the event the City terminates this Contract as provided in this section, the City may procure, upon such terms and in the manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and the Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
 - 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that the Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to §409.A "Termination for Convenience".
 - 8. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, the Contractor shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

§410. Independent Contractor

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

§411. Contractor's Personnel

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

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

§412. Assignment and Delegation

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

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

§413. Permits

The Contractor and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications, and other documents necessary for the Contractor's performance of this Contract. The Contractor shall immediately notify the City of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to the Contractor's performance of this Contract.

§414. Claims for Labor and Materials

The Contractor shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against City property (including reports, documents, and other tangible or intangible matter produced by the Contractor hereunder), and shall pay

all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

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

For the duration of this Contract, the Contractor shall maintain valid Business Tax Registration Certificate(s) as required by the City's Business Tax Ordinance, Section 21.00 et seq. of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

§416. Retention of Records, Audit, and Reports

The Contractor shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by the City. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by the City, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized City personnel or the City's representatives at any time. The Contractor shall provide any reports requested by the City regarding performance of this Contract. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, the Contractor may, upon the City's written approval, submit the required information to the City in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

§417. Bonds

All bonds required by the City shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 et seq., as amended from time to time.

§418. Indemnification

Except for the active negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, the Contractor shall defend, indemnify, and hold harmless the City and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including the 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 an act, error, or omission by the Contractor, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of the City provided in this section shall not

be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

§419. Intellectual Property Indemnification

The Contractor, at its own expense, shall defend, indemnify, and hold harmless the City, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by the Contractor, or its Subcontractors, in performing the work under this Contract; or (2) as a result of the City's actual or intended use of any Work Product (as defined in §421) furnished by the Contractor, or its Subcontractors, under this Contract. The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

§420. Intellectual Property Warranty

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

§421. Ownership and License

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

The Contractor agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause the City irreparable harm. The City may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude the City from seeking or obtaining any other relief to which the City may be entitled.

For all Work Products delivered to the City that are not originated or prepared by the Contractor or its Subcontractors under this Contract, the Contractor shall secure a grant, at no cost to the City, for a non-exclusive perpetual license to use such Work Products for any City purposes.

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

Any subcontract entered into by the Contractor relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that the City's ownership and license rights of all Work Products are preserved and protected as intended herein.

§422. Data Protection

- A. The Contractor shall protect, using the most secure means and technology that is commercially available, the City-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). The Contractor shall notify the City in writing as soon as reasonably feasible, and in any event within twenty-four hours, of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by the City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to the City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with the City. At the City's sole discretion, the City and its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with the City, its agents and law enforcement.
- B. If the City is subject to liability for any Data Breach or Security Incident, then the Contractor shall fully indemnify and hold harmless the City and defend against any resulting actions.

§423. Insurance

During the term of this Contract and without limiting the Contractor's obligation to indemnify, hold harmless and defend the City, the Contractor shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit A hereto). The insurance must: (1) conform to the City's requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit A hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. The Contractor shall comply with all Insurance Contractual Requirements shown on Exhibit A hereto. Exhibit A is hereby incorporated by reference and made a part of this Contract.

§424. Best Terms

Throughout the term of this Contract, the Contractor, shall offer the City the best terms, prices, and discounts that are offered to any of the Contractor's customers for similar goods and services provided under this Contract.

§425. Warranty and Responsibility of Contractor

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

§426. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. The Contractor shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Contract, the Contractor shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.

- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the “Equal Employment Practices” provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the “Affirmative Action Program” provisions of this Contract.

Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§427. Child Support Assignment Orders

The Contractor shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, the Contractor shall fully comply with all applicable State and Federal employment reporting requirements. Failure of the Contractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of the Contractor to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the Contractor under this Contract. Failure of the Contractor or principal owner to cure the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§428. Living Wage Ordinance

The Contractor shall comply with the Living Wage Ordinance, LAAC Section 10.37 et seq., as amended from time to time. The Contractor further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§429. Service Contractor Worker Retention Ordinance

The Contractor shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§430. Access and Accommodations

The Contractor represents and certifies that:

- A. The Contractor shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. The Contractor shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. The Contractor shall provide reasonable accommodation upon request to ensure equal access to City-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

The Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§431. Contractor Responsibility Ordinance

The Contractor shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

§432. Business Inclusion Program

Unless otherwise exempted prior to bid submission, the Contractor shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. The Contractor shall utilize the City's Regional Alliance Marketplace for Procurement ("RAMP") at www.rampla.org, to perform and document outreach to Minority, Women, and Other Business Enterprises. The Contractor shall perform subcontractor outreach activities through RAMP. The Contractor shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall the Contractor reduce their level of effort, without prior written approval of the City.

§433. Slavery Disclosure Ordinance

The Contractor shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§434. First Source Hiring Ordinance

The Contractor shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§435. Local Business Preference Ordinance

The Contractor shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§436. Iran Contracting Act

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with the City for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the “Iran Contracting Act of 2010 Compliance Affidavit.”

§437. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected City office, the Contractor, the Contractor’s principals, and the Contractor’s Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”) shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles the City to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected City officials or candidates for elected City office for twelve months after this Contract is signed. Additionally, a Contractor subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any Contractor subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract C-146057. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“City”) officials and candidates for elected City office for twelve months after the City contract is signed. You are

required to provide the names and contact information of your principals to the CONTRACTOR and to amend that information within ten business days if it changes during the twelve-month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

§438. Contractors’ Use of Criminal History for Consideration of Employment Applications

The Contractor shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by the Contractor for work to be performed under this Contract must include an identical provision.

§439. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments to the Contractor unless the City shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. The Contractor agrees that any services provided by the Contractor, purchases made by the Contractor or expenses incurred by the Contractor in excess of the appropriation(s) shall be free and without charge to the City and the City shall have no obligation to pay for the services, purchases or expenses. The Contractor shall have no obligation to provide any services, provide any equipment or incur any expenses in excess of the appropriated amount(s) until the City appropriates additional funds for this Contract.

§440. Compliance with Identity Theft Laws and Payment Card Data Security Standards

The Contractor shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. The Contractor also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, the Contractor shall verify proper truncation of receipts in compliance with FACTA.

§441. Compliance with California Public Resource Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as

referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, the Contractor shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by the City. The Contractor is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of the Contractor working on premises to pass a fingerprint and background check through the California Department of Justice at the Contractor's sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

§442. Possessory Interests Tax

Rights granted to the Contractor by the City may create a possessory interest. The Contractor agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, the Contractor shall pay the property tax. The Contractor acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

§443. Confidentiality

All documents, information, City Data (as that term is defined in §422), and materials provided to the Contractor by the City or developed by the Contractor pursuant to this Contract (collectively "Confidential Information") are confidential. The Contractor shall not provide, and shall prohibit its employees and subcontractors from providing or disclosing, any Confidential Information or their contents or any information therein either orally or in writing, to any person or entity, except as authorized by the City or as required by law. The Contractor shall immediately notify the City of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

§444. Contractor Data Reporting

If the Contractor is a for-profit, privately owned business, the Contractor shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to the City via the Regional Alliance Marketplace for Procurement ("RAMP") or via another method specified by the City: the Contractor's and any Subcontractor's annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner ("Contractor/Subcontractor Information"). The Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by the City.

§445. Conflict of Interest

A. No City-funded Employees as Board Members

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

B. Code of Conduct

1. The City requires that all Contractors/Subcontractors adopt a Code of Conduct which at minimum reflects the constraints discussed in LAHD Directive Number FY12-0001 (“Directive FY12-0001”). A copy of Directive FY12-0001 has been provided to Contractor by LAHD and Contractor acknowledges receipt of Directive FY12-0001. No Agreements and/or Amendments will be executed without Contractor’s adoption of this Code of Conduct.
2. Further, the City requires compliance with the following conflict of interest requirements for all City funded contractors.

C. Conflict of Interest

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.

3. Definitions:

- a. 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, and daughter-in-law.
- b. The term “financial or other interest” includes, but is not limited to:
 - (1) 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.
 - (2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent (5%) or more; ownership of five percent (5%) or more of the stock; employment in a managerial capacity; or membership on the Board of Directors or governing body.
- c. 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 (1) year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any 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 (1) year thereafter.

- K. The Contractor shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project, and shall substitute the term “subcontractor” for the term “Contractor” and “sub-subcontractor” for “Subcontractor”.
- L. Unless an exemption/waiver to Directive FY12-0001 was requested by Contractor and approved by LAHD in writing prior to the execution of this Agreement, Contractor shall be deemed to have adopted the Code of Conduct set forth within Directive FY12-0001 that meets the foregoing requirements upon execution of this Agreement, and Contractor shall comply with the Code of Conduct throughout the term of this Agreement.

§446. Disclosure of Border Wall Contracting Ordinance

The Contractor shall comply with Los Angeles Administrative Code Section 10.50, ‘Disclosure of Border Wall Contracting.’ The City may terminate this Contract at any time if the City determines that the Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in Section 10.50.

§447. City’s Additional Remedies

The Contractor acknowledges and agrees that nothing contained in this Agreement is, represents, or is intended to be construed as: a release, compromise, settlement, or waiver by the City of any cause of action that the City may have against the Contractor. The City reserves its rights in full, including, but not limited to, the right to bring any claim, cause of action, or request for reimbursement against the Contractor in relation to this Agreement and other transactions between the City and the Contractor.

§448. Payment Does Not Imply Acceptance of Work

The granting of any payment by the City, or the receipt thereof by the Contractor, in no way lessens the liability of the Contractor to replace unsatisfactory work, equipment, or materials although the unsatisfactory character of this work, equipment or materials may not have been apparent or detected at the time the payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the City and upon rejection must be replaced by the Contractor without delay.

§449. Work Not in Scope of Services

The Contractor shall immediately notify LAHD in writing of any work that is requested to be performed that is outside of the original scope of work covered by this Agreement and

§202 above. If it is determined that the request is outside of the scope of work, the Contractor shall not perform the requested work unless and until (i) the City's designated contract administrator approves the request in writing and authorizes the use of any contingency funds for the work, and (ii) an amendment providing for an adjustment in the Contractor's compensation, and the scope of work, is approved and executed by both parties.

§450. Compliance with Current Applicable Safety Protocols and Laws

The Contractor, and any of its subcontractors, if applicable, shall comply with any and all safety protocols, current laws, regulations, and public health orders to ensure the health and safety of both the Contractor's employees, any subcontractors, and the public.

V. DATA SECURITY AND PRIVACY

§501. Data Ownership

As between the parties, City is the sole and exclusive owner of all data and information provided to the Contractor by or on behalf of City pursuant to this Agreement and any and all updates or modifications thereto or derivatives thereof made by Contractor ("City Data"), and all intellectual property rights in the foregoing, whether or not provided to any other party under this Agreement. City Data is Confidential Information for the purposes of this Agreement. The Contractor shall not use City Data for any purpose other than that of rendering the services under this Agreement, nor sell, assign, lease, dispose of or otherwise exploit City Data. The Contractor shall not possess or assert any lien or other right against, or to City Data. City may request an export of City Data stored within the systems or held by the Contractor in any form or format at no charge to City.

Subject to the restrictions articulated elsewhere in this Agreement, City grants the Contractor a non-transferable, non-exclusive, terminable at-will license, solely for the term of this Agreement, to use City Data solely for purposes of performing the services pursuant to this Agreement for City's benefit.

§502. Data Protection

A. The Contractor shall use best efforts, but in no event less than information security industry standard protections, for the type of data at issue, to prevent unauthorized access to, or use, disclosure, or exposure of City Data. To this end, the Contractor shall safeguard the confidentiality, integrity, and availability of City Data, including all information obtained by the Contractor under this Agreement.

B. The Contractor shall implement and maintain appropriate administrative, technical, and organization security measures to safeguard against unauthorized access, disclosure, or theft of City Data or a candidate's personal information. Such security measures shall be in accordance with recognized industry best practices and the standard of care imposed by local, state and federal laws and regulations

relating to the protection of such information. In the absence of any legally imposed or industry standard of care, the Contractor shall safeguard City Data using measures no less stringent than the measures the Contractor applies to the Contractor's own personal data and non-public data of similar kind.

- C. Unless otherwise expressly agreed to by City in writing, the Contractor shall encrypt all City Data at rest and in transit and limit access to only those individuals whose access is essential for performance of the services contemplated by this Agreement.
- D. At no time may any content or City processes be copied, disclosed, or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include City and involve City approval.
- E. At any time during the term of this Agreement, at City's written request, the Contractor shall, and shall instruct all of its employees and subcontractors to, promptly return to City all copies, whether in written, electronic, or other form of media, of City Data in its possession, or securely dispose of all such copies, and certify in writing to City that such City Data has been returned to City or disposed of securely. The Contractor shall comply with all reasonable directions provided by City with respect to the return or disposal of City Data. Except as set forth in this provision and the Scope of Services, the Contractor's obligations to retain City Data during the term of this Agreement and following (1) final payment made by City, (2) the expiration of this Agreement, or (3) the termination of this Agreement, are governed by §416, above. After the Contractor has retained City Data for the period(s) in §416, above, the Contractor shall securely dispose of all City Data, and certify in writing to City, within 30 days of the expiration of Retention Period, that City Data has been securely disposed of.

§503. Compliance with Privacy Laws.

The Contractor shall ensure that the Contractor's performance of the Contractor's obligations under this Agreement complies with all applicable local, state, and federal privacy laws and regulations, including, but not limited to, laws relating to consent to make visual and audio recordings of individuals and consent to collect information from individuals. If this Agreement or any practices which could be, or are, employed in performance of this Agreement are inconsistent with or do not satisfy the requirements of any of these privacy laws and regulations, City and the Contractor shall in good faith execute an amendment to this Agreement sufficient to comply with these laws and regulations and the Contractor shall complete and deliver any documents necessary to compliance.

§504. Confidential Information

The Contractor understands that all original material, and personal information disclosed by the City or third parties whether written or readable by machine, including written or

recorded data, documents, graphic displays, reports, and other documentation or other materials which contain information relating to the Contractor's performance hereunder are considered confidential property of City. The Contractor understands the sensitive nature of the above and therefore agrees that neither its officers, partners, employees, agents, contractors or subcontractors will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, nor other materials except as provided herein or as authorized, in writing, by City's representative. This section shall remain in effect after the termination of this Agreement. The provisions of this subsection shall survive expiration or termination of this Agreement.

§505. Provision of Data

Upon termination of this Agreement for any cause or reason (including City's breach), the Contractor shall provide City with a copy of all City Data in the Contractor's possession in a mutually agreeable machine-readable format.

§506. Data, Development, and Access-Point Location

Storage of City Data shall be located in the continental United States of America. The Contractor shall not allow its personnel or contractors to store City Data on portable devices, including personal computers, except for devices that are used and kept only at the Contractor's continental United States of America headquarters or data centers. The Contractor shall neither access, nor allow a third party to access systems housing City Data from any location outside of the continental United States of America. Notwithstanding anything to the contrary in this Agreement, and only after obtaining prior written approval of City, the Contractor may grant personnel and contractors located outside the continental United States remote read-only access to City Data only as required to provide proctoring and other technical support in relation to the services contemplated herein. The Contractor shall obtain the City's prior written approval for each of its employees, contractors, officers, partners, consultants, principals, agents, affiliates, or subsidiaries who are essential for the purpose of providing the services under this Agreement ("Authorized Persons"). When the Contractor submits a request for City's prior written approval, it shall describe the proposed Authorized Person's role and the necessity for the proposed Authorized Person to access City Data. The Contractor shall at all times cause such Authorized Persons to abide strictly by the Contractor's obligations under this Agreement and the industry standards for information security. The Contractor hereby agrees that only Authorized Persons who are bound in writing by confidentiality and other obligations sufficient to protect City Data in accordance with the terms and conditions of this Agreement will access City Data, and will do so only for the purpose of enabling the Contractor to perform its obligations under this Agreement.

§507. Data Breach

The Contractor shall protect City Data using the most secure means and technology that is consistent with industry standards for the type of data at issue. The Contractor shall notify City as soon as reasonably feasible, but in any event, within twenty-four (24) hours in

writing and telephonically of the Contractor's discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. The Contractor shall begin remediation immediately. The Contractor shall provide daily updates, or more frequently if required by City, regarding findings and actions performed by the Contractor until the Data Breach or Security Incident has been effectively resolved to City's satisfaction. The Contractor shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with City. If directed by City, the Contractor shall retain an independent third party to conduct the investigation at Contractor's sole cost. At City's sole discretion, City and/or its authorized agents shall have the right to lead or participate in the investigation. The Contractor shall cooperate fully with City, its agents and law enforcement. The Contractor is responsible for all costs associated with a Data Breach or Security Incident, including, if directed by City, the provision of identity protection services to individuals affected by the Security Incident. If required by law or directed by City, the Contractor will be responsible for notifying individuals impacted by the Security Incident or Data Breach, with City having final approval of the content of the notification. In the event City incurs any costs related to the breach referenced above, City will seek reimbursement from Contractor or reduce the Contractor's invoice for costs associated with breach of security.

§508. Data Breach Liability

If City is subject to any claims relating to any Data Breach or Security Incident, the Contractor shall fully indemnify and hold harmless City and defend City against any such claims, including reimbursement of any costs and attorney fees incurred by City relating to those claims. This obligation is in addition to any of the Contractor's other indemnification obligations in this Agreement.

§509. Firewalls and Access Controls

- A. Access Precautions. The Contractor shall use precautions, including, but not limited to, physical software and network security measures, employee screening, training and supervision, and appropriate agreements with employees to:
1. Prevent anyone other than City, the Contractor, and authorized City or the Contractor personnel from monitoring, using, gaining access to, or learning the import of City Data;
 2. Protect appropriate copies of City Data from loss, corruption, or unauthorized alteration; and
 3. Prevent the disclosure of City and the Contractor passwords and other access control information to anyone other than authorized City personnel.

- B. Security Best Practices. The Contractor shall implement the following security best practices with respect to any service provided:
1. Least Privilege: The Contractor shall authorize access only to the minimum amount of resources required for a function.
 2. Separation of Duties: The Contractor shall divide functions among its staff members to reduce the risk of one person committing fraud undetected.
 3. Role-Based Security: The Contractor shall restrict access to authorized users and base access control on the role a user plays in an organization.
- C. Access Restrictions. The Contractor shall restrict the use of, and access to, administrative credentials for City accounts and the Contractor's systems to only those of the Contractor's employees and other agents whose access is essential for the purpose of providing the services of this Agreement. The Contractor shall require these personnel to log on using an assigned user-name and password when administering City accounts or accessing City Data. These controls must enable the Contractor to promptly revoke or change access in response to terminations or changes in job functions, as applicable. The Contractor shall encrypt all passwords, passphrases, and PINs, using solutions that are certified against U.S. Federal Information and Processing Standard 140-2, Level 2, or equivalent industry standard, and verify that the encryption keys and keying material are not stored with any associated data. The Contractor will implement any City request to revoke or modify user access within twenty-four (24) hours or the next business day of receipt of City's request. The Contractor will disable user accounts after at most ten (10) consecutive invalid authentication attempts.

§510. Right of Audit by City

Without limiting any other audit rights of City, upon reasonable advance notice of at least thirty (30) days, City may review the Contractor's data privacy and data security program prior to the commencement of this Agreement and from time to time during the term of this Agreement. At City's discretion and upon request by City, Contractor agrees to complete, within fourteen (14) days of receipt, an audit questionnaire provided by City regarding Contractor's data privacy and information security program. These audit rights are in addition to any other audit rights set forth in §416 above.

§511. Written Information Security Policy

The Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards, and procedures (collectively "Information Security Policy"), and communicate the Information Security Policy to all of its respective employees and contractors in a relevant, accessible, and understandable form. The Contractor shall regularly review and evaluate the Information Security Policy to ensure its operational effectiveness, compliance with all applicable laws

and regulations, and to address new threats and risks. Within five (5) business days of City's request, the Contractor shall make available for City's review the Contractor's Information Security Policy and any related SOC audits, information security certifications, or other evidence that the Contractor has in place appropriate policies and procedures regarding information protection and security.

§512. Change in Service

The Contractor shall notify City of any changes, enhancement, and upgrades to the Contractor's systems, or changes in other related software services, as applicable, which can impact the security of the services.

VI. ENTIRE AGREEMENT

§601. Complete Agreement

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

§602. Ratification Clause

The Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted according to the City's discretion.

§603. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures.

§604. Number of Pages and Attachments

This Agreement is executed in **three (3) duplicate originals**, each of which is deemed to be an original. This Agreement includes thirty-three (33) pages and three (3) Exhibits which constitute the entire understanding and agreement of the parties. Alternatively, this Agreement may be executed with electronic signatures, resulting in an electronic final original, which shall be uploaded to the Regional Alliance Marketplace for Procurement website.

[Remainder of page left intentionally blank.]

[Signatures begin on next page.]

VII. SIGNATURE PAGE

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

APPROVED AS TO FORM:

Executed this ____ day of _____, 2026

HYDEE FELDSTEIN SOTO, City Attorney

For: THE CITY OF LOS ANGELES

By _____
Deputy/Assistant City Attorney

TIENA JOHNSON HALL
General Manager
Los Angeles Housing Department

Date _____

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

ATTEST:

By _____
Luz C. Santiago
Assistant General Manager

PATRICE Y. LATTIMORE, City Clerk

By _____
Deputy City Clerk

Executed this ____ day of _____, 2026

For: 3Di, Inc., a California for-profit corporation

Date _____

By _____
Mihir Desai
Vice President & Chief
Financial Officer

City Business License Number: 0000495437-0002-8

Internal Revenue Service Taxpayer Identification Number: 33-0647719

Council File/CAO File Number: ##-####; Date of Approval: ##/##/2026

Said Agreement is Number C-146057 of City Contracts

EXHIBIT A

Form Gen 146 (Rev. 6/12)
Required Insurance and Minimum Limits

Name: 3Di, Inc. Date: 7/17/2024

Agreement/Reference: Information Technology Professional Services

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

		Limits
<input checked="" type="checkbox"/>	Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC <u>Statutory</u>
		EL \$ <u>1,000,000</u>
	<input checked="" type="checkbox"/> Waiver of Subrogation in favor of City	
	<input type="checkbox"/> Longshore & Harbor Workers	
	<input type="checkbox"/> Jones Act	
<hr/>		
<input checked="" type="checkbox"/>	General Liability – City of Los Angeles names as an Additional Insured	
	<input checked="" type="checkbox"/> Products/Completed Operations	\$ <u>1,000,000</u>
	<input type="checkbox"/> Fire Legal Liability	
	<input type="checkbox"/> Sexual Misconduct	
	<input type="checkbox"/> _____	
<hr/>		
<input type="checkbox"/>	Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)	\$ _____
<hr/>		
<input checked="" type="checkbox"/>	Professional Liability (Errors and Omissions) Discovery Period <u>12 Months After Completion of Work or Date of Termination.</u>	\$ <u>1,000,000</u>
<hr/>		
<input type="checkbox"/>	Property Insurance (to cover replacement cost of building - as determined by insurance company)	
	<input type="checkbox"/> All Risk Coverage	\$ _____
	<input type="checkbox"/> Flood	
	<input type="checkbox"/> Earthquake	
	<input type="checkbox"/> Boiler and Machinery	
	<input type="checkbox"/> Builder's Risk	
	<input type="checkbox"/> _____	
<hr/>		
<input type="checkbox"/>	Pollution Liability	\$ _____
<input type="checkbox"/>	_____	
<hr/>		
<input type="checkbox"/>	Surety Bonds – Performance and Payment (Labor and Materials) Bonds	100% of the contract price
<input type="checkbox"/>	Crime Insurance	\$ _____

Other:

- 1) Cyber Liability (\$1 million)
- 2) In the absence of imposed Auto Liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

EXHIBIT A
INSURANCE CONTRACTUAL REQUIREMENTS

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

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

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

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

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

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

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

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

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this

Contract.

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

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

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, §403, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

EXHIBIT B
NOTICE OF PROHIBITION AGAINST RETALIATION

An employer subject to the Living Wage Ordinance shall post in a prominent place in an area frequented by employees a copy of the below notice to employees regarding the LWO prohibition against retaliation (also available in English at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(English\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(English)%2005.2024.pdf) and in Spanish at [https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20\(Spanish\)%2005.2024.pdf](https://bca.lacity.gov/Uploads/contracting/LWO%202024/LWO%202024%20Adjusted/Notice%20to%20Employees%20of%20Retaliation%20(Spanish)%2005.2024.pdf)). The retaliation notice must be posted by an employer even if the employer has been exempted from the LWO.

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

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

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

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

For more information, or to obtain a complaint form, please contact the Equal Employment Opportunity Enforcement Section at bca.eoe@lacity.org.

**CITY OF LOS ANGELES
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway Street, Suite 300
Los Angeles, CA 90015
BCA.EEOE@LACITY.ORG**

EXHIBIT C

**EXHIBIT C
PROFESSIONAL FEE SCHEDULE**

Services shall be compensated according to the following fee schedule:

HOURLY BILLING RATE AND COST SCHEDULE		EMPLOYEE COMPENSATION			OVERHEAD		TOTAL
Position Description		Base Rate	Other Compensation	Total Paid to Employee	Administrative Costs	Profit Margin	Total Billing Rate
Application Programmer	Proficient	\$45.23 - \$67.50	\$ 0.75	\$45.98 - \$68.25	\$9.20 - \$13.65	\$7.83 - \$12.10	\$63.00 - \$94.00
	Advanced	\$68.85 - \$87.75	\$ 0.75	\$69.60 - \$88.50	\$13.72 - \$17.70	\$11.48 - \$14.80	\$95.00 - \$121.00
Business Analyst	Proficient	\$37.13 - \$54.00	\$ 0.75	\$37.88 - \$54.75	\$7.58 - \$10.95	\$6.55 - \$9.30	\$52.00 - \$75.00
	Advanced	\$55.35 - \$74.25	\$ 0.75	\$56.10 - \$75.00	\$11.22 - \$15.00	\$9.68 - \$13.00	\$77.00 - \$103.00
Business Intelligence Specialist	Proficient	\$60.75 - \$72.90	\$ 0.75	\$61.50 - \$73.65	\$12.30 - \$14.73	\$10.20 - \$12.62	\$84.00 - \$101.00
	Advanced	\$74.25 - \$94.50	\$ 0.75	\$75.00 - \$95.25	\$15.00 - 19.05	\$13.00 - \$16.70	\$103.00 - \$131.00
Database Architect	Proficient	\$67.50 - \$81.00	\$ 0.75	\$68.25 - \$81.75	\$13.65 - \$16.35	\$12.10 - \$13.90	\$94.00 - \$112.00
	Advanced	\$82.35 - \$101.25	\$ 0.75	\$83.10 - \$102.00	\$16.62 - \$20.40	\$14.28 - \$17.60	\$114.00 - \$140.00
Geographic Information Specialist	Proficient	\$47.25 - \$60.75	\$ 0.75	\$48.00 - \$61.50	\$9.60 - \$12.30	\$8.40 - \$10.20	\$66.00 - \$84.00
	Advanced	\$62.10 - \$81.00	\$ 0.75	\$62.85 - \$81.75	\$12.57 - \$16.35	\$10.58 - \$13.90	\$86.00 - \$112.00
Junior Programmer	Proficient	\$35.10 - \$40.50	\$ 0.75	\$35.85 - \$41.25	\$7.17 - \$8.25	\$5.98 - \$7.50	\$49.00 - \$57.00
	Advanced	\$41.85 - \$47.25	\$ 0.75	\$42.60 - \$48.00	\$8.52 - \$9.60	\$6.88 - \$8.40	\$58.00 - \$66.00
Junior Analyst	Proficient	\$35.10 - \$40.50	\$ 0.75	\$35.85 - \$41.25	\$7.17 - \$8.25	\$5.98 - \$7.50	\$49.00 - \$57.00
	Advanced	\$41.85 - \$47.25	\$ 0.75	\$42.60 - \$48.00	\$8.52 - \$9.60	\$6.88 - \$8.40	\$58.00 - \$66.00
Programmer Analyst	Proficient	\$45.23 - \$67.50	\$ 0.75	\$45.98 - \$68.25	\$9.20 - \$13.65	\$7.83 - \$12.10	\$63.00 - \$94.00
	Advanced	\$68.85 - \$87.75	\$ 0.75	\$69.60 - \$88.50	\$13.72 - \$17.70	\$11.48 - \$14.80	\$95.00 - \$121.00
Project Manager	Proficient	\$67.50 - \$87.75	\$ 0.75	\$68.25 - \$88.50	\$13.65 - \$17.70	\$12.10 - \$14.80	\$94.00 - \$121.00
	Advanced	\$89.10 - \$114.75	\$ 0.75	\$89.85 - \$115.50	\$17.97 - \$23.10	\$15.18 - \$19.40	\$123.00 - \$158.00
Systems Programmer	Proficient	\$45.23 - \$67.50	\$ 0.75	\$45.98 - \$68.25	\$9.20 - \$13.65	\$7.83 - \$12.10	\$63.00 - \$94.00
	Advanced	\$68.85 - \$87.75	\$ 0.75	\$69.60 - \$88.50	\$13.72 - \$17.70	\$11.48 - \$14.80	\$95.00 - \$121.00
UX Designer	Proficient	\$45.23 - \$67.50	\$ 0.75	\$45.98 - \$68.25	\$9.20 - \$13.65	\$7.83 - \$12.10	\$63.00 - \$94.00
	Advanced	\$68.85 - \$87.75	\$ 0.75	\$69.60 - \$88.50	\$13.72 - \$17.70	\$11.48 - \$14.80	\$95.00 - \$121.00
Data Analyst	Proficient	\$41.85 - \$47.25	\$ 0.75	\$42.60 - \$48.00	\$8.52 - \$9.60	\$6.88 - \$8.40	\$58.00 - \$66.00
	Advanced	\$48.60 - \$67.50	\$ 0.75	\$49.35 - \$68.25	\$9.87 - \$13.65	\$8.78 - \$12.10	\$68.00 - \$94.00

Category Definitions and Inclusions:

Base Rate Paid to Employee includes the following: The employer paid portion of Social Security and Medicare taxes, State and Federal unemployment taxes, workers' compensation insurance, employer paid medical insurance premiums, employer paid retirement plan contributions and any other Federal, State or Locally mandated taxes which are included in calculating an employee's compensation.



EXHIBIT C (CON'T)

OFFSHORE BILLING RATES

HOURLY BILLING RATE AND COST SCHEDULE		EMPLOYEE COMPENSATION			OVERHEAD		TOTAL
Position Description		Base Rate	Other Compensation	Total Paid to Employee	Administrative Costs	Profit Margin	Total Offshore Billing Rate
Application Programmer	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
Business Analyst	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
Business Intelligence Specialist	Proficient	\$24.98 - \$27.68	\$ 0.75	\$25.73 - \$28.43	\$5.15 - \$5.59	\$4.13 - \$4.89	\$35.00 - \$39.00
	Advanced	\$28.35 - \$31.05	\$ 0.75	\$29.10 - \$31.80	\$5.82 - \$6.36	\$5.08 - \$5.84	\$40.00 - \$44.00
Database Architect	Proficient	\$24.98 - \$31.05	\$ 0.75	\$25.73 - \$31.80	\$5.15 - \$6.36	\$4.13 - \$5.84	\$35.00 - \$44.00
	Advanced	\$31.73 - \$35.78	\$ 0.75	\$32.48 - \$36.53	\$6.50 - \$7.31	\$6.03 - \$6.17	\$45.00 - \$50.00
Geographic Information Specialist	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
Junior Programmer	Proficient	\$20.93 - \$24.98	\$ 0.75	\$21.68 - \$25.73	\$4.34 - \$5.15	\$3.99 - \$4.13	\$30.00 - \$35.00
	Advanced	\$25.65 - \$28.35	\$ 0.75	\$26.40 - \$29.10	\$5.28 - \$5.82	\$4.32 - \$5.08	\$36.00 - \$40.00
Junior Analyst	Proficient	\$20.93 - \$24.98	\$ 0.75	\$21.68 - \$25.73	\$4.34 - \$5.15	\$3.99 - \$4.13	\$30.00 - \$35.00
	Advanced	\$25.65 - \$28.35	\$ 0.75	\$26.40 - \$29.10	\$5.28 - \$5.82	\$4.32 - \$5.08	\$36.00 - \$40.00
Programmer Analyst	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
Project Manager	Proficient	\$31.73 - \$38.48	\$ 0.75	\$32.48 - \$39.23	\$6.50 - \$7.85	\$6.03 - \$6.93	\$45.00 - \$54.00
	Advanced	\$39.15 - \$43.20	\$ 0.75	\$39.90 - \$43.95	\$7.98 - \$8.79	\$7.12 - \$7.26	\$55.00 - \$60.00
Systems Programmer	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
UX Designer	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00
Data Analyst	Proficient	\$22.28 - \$26.23	\$ 0.75	\$23.03 - \$27.08	\$4.61 - \$5.42	\$4.37 - \$4.51	\$32.00 - \$37.00
	Advanced	\$27.00 - \$37.13	\$ 0.75	\$27.75 - \$37.88	\$5.55 - \$7.58	\$4.70 - \$6.55	\$38.00 - \$52.00



EXHIBIT C (CON'T)

Other Compensation: Any other compensation paid as part of the employee's compensation which is not included in the Base Rate. Such compensation may include parking and employer compensated educational expenses, for example. **You must provide a list of what you include in this category.**

Not Included under Employee Compensation: Travel expenses (including mileage). Any such expenses (if provided) would be negotiated and paid as part of the individual contract.

Proficient Rate: The proficient rate (lowest rate) is defined as a resource that can satisfactorily provide the required services and experience with less than two years in the specific area of expertise required.

Advanced Rate: Advanced Rate is defined as having extensive experience, significant knowledge and is considered an expert in the specific area of expertise and can perform those duties with little or no supervision or guidance.

Note: The City of Los Angeles requires compliance with the Living Wage Ordinance (LWO). Rates charged and paid to the employee must comply with this ordinance. Compensated time off required by LWO is twelve (12) days.

Holidays are NOT to be included in calculation of the Total Billing Rate in any of the categories but are to be billed if worked at the regular rate. The City will not pay for holidays but the proposer may choose to pay their employees on the holidays as part of the 12 compensated time off days.

Narratives to be included with Hourly Billing Rate and Cost Schedule:

1. Other Compensation – list any compensation paid to the employee not included in the Base Rate.
2. Administrative Costs – list what is included in calculating administrative costs.
3. If applicable, an explanation of any fees, charges or adjustments included but not covered under the categories listed.


Fixed Price Fee Schedule

Fixed Price Fee is a work order whereby the City pays a firm fixed-price fee for services with pre-defined set of deliverables. It is required of our contractors that they are willing and have the ability to provide services for fixed-price projects, including services necessary with and without project management as defined in the scope and specifications of the project. Each project will be communicated with specific scope definitions and will require an estimate prior to beginning the work.



EXHIBIT C (CON'T)

Are you able and willing to provide estimates and perform work for fixed-price projects? YES NO

Signature  Title C.O.O. & C.F.O. Date 07/22/2024

DRAFT