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of the County of Los Angeles
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ADOPTED
BOARD OF COMMISSIONERS
HOUSING AUTHORITY

1-H MAY 06 2008

SACHI A. HAMAI
EXECUTIVE OFFICER

May 6, 2008

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

APPROVE APPRAISAL SERVICES AGREEMENTS FOR REAL ESTATE AND BUSINESS APPRAISAL SERVICES (ALL DISTRICTS) (3 Vote)

SUBJECT

This letter requests that your Board authorize the Executive Director of the Community Development Commission (Commission) and the Housing Authority to execute one-year Appraisal Services Agreements with private consulting firms identified on Attachment A, to perform Countywide real estate and business appraisals for the Commission and the Housing Authority on an as-needed basis. Approval of the Agreements will facilitate the acquisition of appraisal services by having qualified consultants readily available to staff.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Find that the Appraisal Services Agreements for real estate and business appraisal services are not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the agreements will not have the potential for causing a significant effect on the environment.

2. Approve and authorize the Executive Director of the Commission to execute one-year Appraisal Services Agreements, attached in substantially final form, and all related documents, with the eight private consulting firms identified in Attachment A, to perform Countywide real estate and business appraisals for the Commission on an as-needed basis, to be effective following approval as to form by County Counsel and execution by all parties.

3. Authorize the Executive Director to execute amendments to the Appraisal Services Agreements, following approval as to form by County Counsel, to extend the time of performance for an additional two years, in one-year increments.

4. Authorize the Executive Director to use a maximum aggregate amount of $366,000 over a three-year period for the purposes described above, comprised of $122,000 in funds included in the Commission's approved Fiscal Year 2007-2008 budget, and $244,000 in funds to be requested through the Commission's annual budget approval process.

5. Authorize the Executive Director to increase the Appraisal Services Agreement aggregate amount by up to $36,600 for any unforeseen, needed appraisal services, using the same yearly source of funds described above.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY:

1. Find that the Appraisal Services Agreements for real estate and business appraisal services are not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the agreements will not have the potential for causing a significant effect on the environment.

2. Approve and authorize the Executive Director of the Housing Authority to execute one-year Appraisal Services Agreements, attached in substantially final form, and all related documents, with the eight consulting firms identified in Attachment A, to perform Countywide real estate and business appraisals for the Housing Authority on an as-needed basis, to be effective following approval as to form by County Counsel and execution by all parties.

3. Authorize the Executive Director to execute amendments to the Appraisal Services Agreements, following approval as to form by County Counsel, to extend the time of performance for an additional

two years, in one-year increments.

4. Authorize the Executive Director to use a maximum aggregate amount of $15,000 over a three-year period for the purposes described above, comprised of $5,000 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and $10,000 in funds to be requested through the Housing Authority's annual budget approval process.

5. Authorize the Executive Director to increase the Appraisal Services Agreement aggregate amount by up to $1,500 for any unforeseen, needed appraisal services, using the same yearly source of funds described above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to award Appraisal Services Agreements to provide appraisal services on an as-needed basis for economic development, lending programs, redevelopment activities, asset management, housing development, and other programs administered by the Commission and the Housing Authority.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund.

The maximum aggregate amount for all years of the Appraisal Services Agreements for the Commission will be $366,000. The first year of services under the Appraisal Services Agreements will not exceed an aggregate of $122,000, using funds contained within the Commission's approved Fiscal Year 2007-2008 budget. After the first year, the Appraisal Service Agreements may be extended for an additional two years, in one-year increments. The remaining $244,000 for these subsequent years will be requested through the Commission's annual budget process. A 10% contingency, in the maximum aggregate amount of $36,600, is also being set aside for unforeseen, needed appraisal services.

The maximum aggregate amount for all years of the Appraisal Services Agreements for the Housing Authority will be $15,000. The first year of services under the Appraisal Services Agreements will not exceed an aggregate of $5,000, using funds contained within the Housing Authority's approved Fiscal Year 2007-2008 budget. After the first year, the Appraisal Service Agreements may be extended for an additional two years, in one-year increments. The remaining $10,000 for these subsequent years will be requested through the Housing Authority's annual budget process. A 10% contingency, in the maximum aggregate amount of $1,500, is also being set aside for unforeseen, needed appraisal services.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Commission currently contracts for appraisal services using both purchase orders and multiple-year contracts. The proposed Appraisal Services Agreements will replace individual purchase orders and existing multiple-year contracts and maintain the Countywide geographical coverage. The Appraisal Services Agreement defines the terms and conditions under which the firms will provide services. On an as-needed, project-by-project basis, the firms will be retained to complete various appraisal assignments, including appraisals for real estate acquisition, lending, reuse, rehabilitation, and development. Other appraisal assignments will include market studies, highest and best use studies, and Commission-owned real estate asset management. Firms will receive compensation based on the scope of services performed.

Should any firms identified in Attachment A require additional or replacement personnel during the term of the Appraisal Services Agreements, they will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program who meet the minimum qualifications for the open positions. The firms will contact the County's GAIN/GROW Division for a list of participants by job category.

The Appraisal Services Agreements will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3), the Appraisal Services Agreements are exempt from the provisions of the National Environmental Policy Act (NEPA) because they involve administrative activities and will not alter existing environmental conditions. These agreements are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

On January 18, 2008, the Commission and the Housing Authority jointly initiated an outreach program to identify qualified contractors to provide real estate and business appraisal services. Notices of the availability of the Request for Proposals (RFP) were mailed to 126 appraisal consultants identified from the Commission's vendor list. The availability of the RFP was advertised in 10 local newspapers and listed on the County Office of Small Business Web Site as part of the procurement process. A total of 22 proposal packages were requested and distributed.

A total of 13 proposals were received by the submission deadline of February 15, 2008. The proposals were evaluated by a review panel comprised of three representatives from the Commission. Of the 13 proposals, eight firms were selected for recommendation of award of an agreement based on the criteria set forth in the RFP.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROGRAMS:

The Agreements will facilitate the acquisition of appraisal services by having qualified consultants readily available to staff.

Respectfully submitted,

Bobbette A. Glover

for CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

APPROVE APPRAISAL SERVICES AGREEMENTS FOR REAL ESTATE AND BUSINESS APPRAISAL SERVICES (ALL DISTRICTS)

Summary of Outreach Activities

On January 18, 2008, the following outreach was initiated to identify qualified real estate and business appraisal firms to provide services for the Community Development Commission and the Housing Authority.

A. Newspaper Advertising

Announcements appeared in the following 10 local newspapers:

La Opinion	The Daily News
International Daily News	L.A. Sentinel
Eastside Sun	Los Angeles Times
Long Beach Press Telegram	Agua Dulce News
Antelope Valley Press	Wave Community Newspaper

B. Distribution of Request for Proposals (RFP) Packets

Notices of the availability of the RFP were mailed to 126 appraisal consultants identified from the Commission's vendor list. Of these firms, 98 identified themselves as businesses owned by minorities and/or women (private firms which are 51% owned by minorities or women or publicly-owned business in which 51% of the stock is owned by minorities or women). The availability of the RFP was also listed on the County Office of Small Business Web Site. As a result of the outreach, 22 RFP Packets were requested and distributed.

C Proposal Results

By the deadline of February 15, 2008, proposals were received from 13 firms; of which two firms indicated they are female minority-owned, one firm indicated it is minority-owned, and one firm indicated it is female-owned. On February 25, 2008, the Appraisal Proposal Review Panel, comprised of three representatives from the Commission, met to review the sample appraisal reports and professional qualifications of the firms responsive to the RFP requirements. After the evaluation and review process was completed, the Review Panel is recommending all eight firms for award of contracts.

FIRM	**Total Evaluation Score**
C. Bill Lee Appraisers	670
Desmond, Marcello & Amster	625
Integra Realty Resources	749

Nagasaki & Associates	734
R.A.H. and Associates*	759
Sanli Pasatore & Hill, Inc.	565
Taylor Dark	797
Valentine Appraisal & Associates	741.50

*Minority/female-owned firm
**Female-owned firm

D. Participation of Minorities and Women - Firms Selected

Firm Name	Ownership		Employees
C. Bill Lee Appraisers	Minority-Owned	Total	3
		3	Minorities
		2	Women
		100%	Minorities
		66%	Women
Integra Realty Resources	Non-Minority	Total	14
		0	Minorities
		4	Women
		0%	Minorities
		28%	Women
Nagasaki & Associates	Non-Minority	Total	1
		0	Minorities
		0	Women
		0%	Minorities
		0%	Women
Desmond, Marcello & Amster	Non-Minority	Total	18
		8	Minorities
		9	Women
		44%	Minorities
		50%	Women
RAH & Associates*	Minority/Female-Owned	Total	1
		1	Minorities
		1	Women
		100%	Minorities
		100%	Women

Sanli Pasatore & Hill, Inc.	Non-Minority	Total	19
		7	Minorities
		15	Women
		36%	Minorities
		78%	Women
Taylor Dark	Non-Minority	Total	1
		0	Minorities
		0	Women
		0%	Minorities
		0%	Women
Valentine Appraisal & Associates	Non-Minority	Total	1
		0	Minorities
		0	Women
		0%	Minorities
		0%	Women

The Commission encourages the participation of minorities and women in the contract award process, including providing information about the Commission at local and national conferences, conducting seminars for minorities and women regarding programs and services, advertising in newspapers to invite placement on the vendor list, and mailing information to associations which represent minorities and women. The above information has been voluntarily provided by the firms which participated in the outreach program.

The recommendation to award the Appraisal Services Agreements to the above firms is being made in accordance with federal regulations, and without regard to race, creed, color, gender, or sexual orientation.

CONTRACT

This Contract is made and entered into this 1st day of June, 2008 by and between the Community Development Commission of the County of Los Angeles, hereinafter referred to as "Commission", and Consultant, hereinafter referred to as "Contractor."

RECITAL

1. PURPOSE

The Contractor is in the business of providing needed appraisal services. On February 15, 2008, in response to the Commission's Request for Proposals Contractor submitted a proposal to furnish the hereinafter-described appraisal services to the Commission.

TERMS AND DEFINITIONS

2. TERM

This Contract shall commence as of the day and year first above written and shall remain in full force and effect until May 31, 2009 unless sooner terminated as provided herein. This Contract may be extended in one-year increments, for a total of two (2) additional years at the sole discretion of the Commission.

3. DEFINITIONS

The terms and phrases in this paragraph shall have the particular meanings set forth in this Paragraph 3 whenever such terms are used in capitalized form in this Contract.

A. BOARD

"Board" shall mean the board of commissioners of the county of Los Angeles.

B. CONTRACT

"Contract" shall mean the written agreement covering the performance of the service and the furnishing of labor, materials, supervision, and equipment in the performance of the service. The contract shall include the statement of work and exhibits, together with any special provisions thereof, included are all supplemental agreements amending or extending the service to be performed which may be required to supply acceptable services specified herein.

C. CONTRACTOR

"Contractor" shall mean the person or persons, partnership, joint venture, corporation or other entity whom has entered into an agreement with the Commission to perform or execute the work covered by these specifications.

D. CONTRACT WORK

"Contract Work" shall mean the entire contemplated work of construction, maintenance, and repair to be performed and services rendered as prescribed in the statement of work and exhibits covered by this contract.

E. EXECUTIVE DIRECTOR

"Executive Director" shall mean the executive director of the Commission or designee; as used herein, includes the director of each division and/or their authorized representative(s).

F. PROPOSAL

"Proposal" shall mean the written instrument which a contractor submitted in conformance with the request for proposals document (RFP).

4. CONTRACTOR'S RESPONSIBILITIES

The Contractor agrees to perform in a good workmanlike manner, to the satisfaction of the Commission's Executive Director, all the work described in the attached Statement of Work, Attachment A.

5. COMPENSATION

Contractor will submit to the Commission an invoice on a form approved by the Commission for services rendered on a monthly schedule. Upon receipt and approval, the Commission will pay the Contractor within thirty (30) days of receipt of the invoice. The yearly amount of compensation under this Contract will not exceed _____( ), and the total amount of compensation under this Contract will not exceed _____( ).

The Contractor shall be paid in accordance with the Commission's standard accounts payable system.

The following condition must be met to fulfill this Contract and ensure prompt payment.

The Contractor will submit a monthly invoice on a form approved by the Commission for services rendered, and this invoice must be approved by the Commission.

The Contractor shall have no claim against the Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment, it shall immediately notify the Commission and shall immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration or termination of this Contract shall not constitute a waiver of the Commission's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

6. SOURCE AND APPROPRIATION OF FUNDS

The Commission's obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development (HUD) and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.

In the event this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Commission will endeavor to notify the Contractor in writing within ten (10) days of receipt of non-appropriation notice.

7. TERMINATION FOR IMPROPER CONSIDERATION

The Commission may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract, if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County office, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract of the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by a Commission officer or employee to solicit such improper consideration. The report shall be made either to the Commission's Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8. ASSIGNMENT BY CONTRACTOR

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Commission, in its discretion, and any attempted assignment or delegation without

such consent shall be null and void. For purposes of this paragraph, Commission consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the Commission to any approved delegate or assignee on any claim under the Contract shall be deductible, at the Commission's sole discretion, against the claims, which the Contractor may have against the Commission. However, the Commission reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Commission in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Commission's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Commission shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

9. CONFIDENTIALITY OF REPORTS

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Commission.

10. SUBCONTRACTING

The Contractor may subcontract only those specific portions of work allowed in the original specifications covered by this Contract with prior written approval by the Commission.

The Contractor shall not subcontract any part of the work covered by this Contract or permit subcontracted work to be further subcontracted without prior written approval by the Commission.

11. INSURANCE

The Contractor shall procure and maintain at Contractor's expense for the duration of this Contract the following insurance against claims for injuries to persons or damage to property, which may arise from or in connection with the performance of the work by the Contractor, its agents, representatives, employees or subcontractors.

A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$1,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence	$1,000,000

The Community Development Commission of the County of Los Angeles, the Housing Authority of the County of Los Angeles, the County of Los Angeles, and their officials and employees, shall be covered as insureds with respect to: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor.

B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than $1 million for each incident. Such insurance shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	$1,000,000
Disease-policy limit	$1,000,000
Disease-each employee	$1,000,000

D. PROFESSIONAL LIABILITY INSURANCE, (errors and omissions) in an amount not less than One Million Dollars ($1,000.000) aggregate per claim.

The purpose of this insurance is to cover all claims for professional services being provided to the Housing Authority for the County of Los Angeles and the Community Development Commission for the County of Los Angeles, which includes but is not limited to architectural, engineering, surveying, real estate and medical services. If this agreement is not subject to professional liability insurance

it is the responsibility of the party contracting with the Housing Authority for the County of Los Angeles or the Community Development Commission for the County of Los Angeles to obtain separate written approval to eliminate this requirement. Further, the Housing Authority for the County of Los Angeles, the Community Development Commission for the County of Los Angeles, the County, their officials, agents, and employees shall be covered as additional insureds.

Any self-insurance program and self-insured retention must be separately approved by the Commission.

Each insurance policy shall be endorsed to state that coverage shall not be canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to the Commission.

Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California or carriers with a rating of or equivalent to A: VIII by A.M. Best & Company. Any deviation from this rule shall require specific approval in writing by the Commission.

All coverage for subcontractors shall be subject to the requirements stated herein and shall be maintained at no expense to the Commission.

The Contractor shall furnish the Commission with certificates of insurance and with original endorsements affecting coverage as required above. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the Commission may immediately terminate this Contract.

12. INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles (Housing Authority), County of Los Angeles (County), and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Contract.

13. COMMISSION'S QUALITY ASSURANCE PLAN

The Commission will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies,

which Commission determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Commission and Contractor. If improvement does not occur consistent with the corrective measure, the Commission may terminate this Contract, pursuant to Paragraph 13 or 14, or impose other remedies as specified in this Contract.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

14. TERMINATION FOR CONVENIENCE

The Commission reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

15. TERMINATION FOR CAUSE

This Contract may be terminated by the Commission upon written notice to the Contractor for just cause (failure to perform satisfactorily) with no penalties incurred by the Commission upon termination or upon the occurrence of any of the following events in A, B, C or D:

A. Should the Contractor fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of this Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor, and should the Contractor neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the Commission within the time specified in such notice, the Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.

B. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under this Contract is abandoned for more than three days by the Contractor, then notice of deficiency thereof in writing will be served upon Contractor by the Commission. Should the Contractor fail to comply with the terms of this Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.

C. In the event that a petition of bankruptcy shall be filed by or against the Contractor.

D. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, Contracts, or stipulations of this Contract, the Commission shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Commission become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

16. CONTRACTOR'S WARRANTY OF ADHERENCE TO COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

The Contractor acknowledges that the Commission has established a goal of ensuring that all individuals who benefit financially from the Commission through a contract, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Commission Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

17. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 16, "*CONTRACTOR'S WARRANTY OF ADHERENCE TO Commission's CHILD SUPPORT COMPLIANCE PROGRAM*" shall constitute default under this contract. Without limiting the rights and remedies available to Commission under any other provision of this contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which Commission may terminate this contract pursuant to Paragraph 15 - "TERMINATION FOR CAUSE" and pursue debarment of Contractor, pursuant to Commission Policy.

18. POST MOST WANTED DELINQUENT PARENTS LIST

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is County's and Commission's policy to strongly encourage all Contractors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. The Child Support Services Department (CSSD) will supply Contractor with the poster to be used.

19. INDEPENDENT CONTRACTOR

This Contract does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Commission and the Contractor.

20. EMPLOYEES OF CONTRACTOR

Workers' Compensation: The Contractor understands and agrees that all persons furnishing services to the Commission pursuant to this Contract are, for the purposes of Workers' Compensation liability, employees solely of the Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Commission under this Contract.

Professional Conduct: The Commission does not and will not condone any acts, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Commission will properly investigate all charges of harassment by residents, employees or agents of the Commission against any and all Contractor's employees, agents or subcontractors providing services for the Commission. The Contractor assumes all liability for the actions of the Contractor's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

21. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

22. SAFETY STANDARDS AND ACCIDENT PREVENTION

The Contractor shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Contract.

23. COMPLIANCE WITH LAWS

The Contractor agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Contract is in excess of $100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

The Contractor shall comply with the following laws in Sections 24-33, inclusive, and 42-44, inclusive.

24. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)

The Contractor shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

25. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Contractor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

26. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

The Contractor shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

27. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS)

The Contractor shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

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 for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Contractor's noncompliance with the non-discrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures

authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

28. GREATER AVENUES FOR INDEPENDENCE (GAIN) PROGRAM AND GENERAL RELIEF OPPORTUNITY FOR WORK (GROW) PROGRAM

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. The Contractor shall contact the County's GAIN/GROW Division at (626) 927-5354 for a list of GAIN/GROW participants by job category.

29. FEDERAL LOBBYIST REQUIREMENTS

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of 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 the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Contract, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

30. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

31. USE OF RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the Project.

32. CONTRACTOR RESPONSIBILITY AND DEBARMENT

A. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

B. The Contractor is hereby notified that if the Commission acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Commission may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Commission contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Commission.

C. The Commission may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Commission will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Commission shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Commission may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Commission.

H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to subcontractors and subconsultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.

33. COMPLIANCE WITH JURY SERVICE PROGRAM

A. Unless the Contractor has demonstrated to the Commission satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.

C. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall

immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

D. The Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

34. ACCESS AND RETENTION OF RECORDS

The Contractor shall provide access to the Commission, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

The Contractor is required to retain the aforementioned records for a period of five years after the Commission pays final payment and other pending matters are closed under this Contract.

35. CONFLICT OF INTEREST

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Commission. Upon execution of this Contract and during its term, as appropriate, the Contractor shall, disclose in writing to the Commission any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Commission's interest and the interests of the third parties.

36. SEVERABILITY

In the event that any provision herein is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due

to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

37. INTERPRETATION

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if drafted by both parties hereto.

38. WAIVER

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

39. PATENT RIGHTS

The Commission will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Contract.

40. COPYRIGHT

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All such documents become the property of the Commission and the Commission holds all the rights to said data.

41. NOTICES

The Commission shall provide the Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that Commission has actual knowledge of such injury or damage. Commission shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

The Commission: Community Development Commission
Of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755
Attn: Emilio Salas, Director

The Contractor: Consultant

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Contractor and the Commission may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

42. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Attachment D – Required Contract Notices* of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

43. CONTRACTOR'S ACKNOWLEDGMENT OF COMMISSION'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the Commission places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Commission's policy to encourage all Commission Contractors to voluntarily post the Commission's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Contractor with the poster to be used.

44. CONTRACTOR'S CHARITABLE CONTRIBUTIONS COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in *Attachment C – Required Contract Forms*, the Commission seeks to ensure that all Commission contractors that receive or raise charitable contributions comply with California law in order to protect the Commission and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

45. ENTIRE CONTRACT

This Contract with Attachments A through D constitutes the entire understanding and Contract of the parties. This Contract includes the following attachments:

A. Statement of Work
B. Fee Schedule
C. Required Contract Forms
D. Required Contract Notices

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SIGNATURES

IN WITNESS WHEREOF, the Commission and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written.

CONSULTANT

COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF LOS ANGELES

By_____

Owner

By_____
Carlos Jackson
Executive Director

APPROVED AS TO PROGRAM:
ADMINISTRATIVE SERVICES DIVISION

APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

By_____
Emilio Salas
Director

By_____
Grace Chang
Deputy