County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

June 23, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF AGREEMENT WITH THE LOS ANGELES ECONOMIC DEVELOPMENT CORPORATION (ALL DISTRICTS AFFECTED) (3 VOTES)

SUBJECT

This action is to request approval of an agreement with the Los Angeles Economic Development Corporation (LAEDC) to create or maintain jobs, stimulate business growth, upgrade the business climate and improve commercial service, primarily in distressed or under-developed areas of Los Angeles County.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the Social Program Agreement for the allocation of County Funds to benefit LAEDC.

2. Instruct the Chairman to execute the attached Social Program Agreement with LAEDC, in the amount of $625,000, for a term from July 1, 2009 through December 31, 2009.

3. Delegate authority to the Chief Executive Officer, or his designee, to prepare, sign and execute a Social Program Agreement with LAEDC, in a form substantially similar to Exhibit A, for an amount that is no more than $312,500, for a term from January 1, 2010 through March 31, 2010, subject to review and approval of County Counsel.

4. Delegate authority to the Chief Executive Officer, or his designee, to prepare, sign and execute a Social Program Agreement with LAEDC, in a form substantially similar to Exhibit A, for an amount that is no more than $312,500, for a term from April 1, 2010 through June 30, 2010, subject to review and approval of County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to promote economic development in the County of Los Angeles that will assist in revitalizing the local economy.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness by improving the efficiency, quality, and responsiveness of County services to all residents. This Social Program Agreement will support the programs and services LAEDC offers as part of their Countywide Business Assistance Program to attract, retain and grow businesses and jobs in the Los Angeles region.

FISCAL IMPACT/FINANCING

Funding for this Social Program Agreement in the amount of $1,250,000 is currently available in the fiscal year 2009-10 budget. However, we are recommending only an initial six-month agreement for half the total budgeted amount since we do not know the extent of the State budget impact to the County at this time. The term of the initial agreement will be July 1, 2009 through December 31, 2009.

We are requesting delegated authority to enter into a maximum of two (2) additional three-month agreements, at a maximum of $312,500 per agreement, starting January 2010 through the end of fiscal year 2009-10. These agreements shall only be executed if the Chief Executive Officer (CEO) determines the sufficient availability of County funds. The CEO or his designee, shall provide written notification to the Board offices and LAEDC on or before November 1, 2010 on whether the County will be exercising its option to enter into the January 1, 2010 Social Program Agreement with LAEDC. The CEO or his designee, shall provide written notification to the Board offices and LAEDC on or before February 1, 2010 on whether the County will be exercising its option to enter into the April 1, 2010 Social Program Agreement with LAEDC.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The LAEDC is a private, non-profit 501(c) 3 organization established in 1981 to address the needs of the business and government community by providing:

- Timely and relevant economic information and analysis;
- Direct business assistance to attract, retain and expand business;
- Networking and assistance to technology-based businesses to help create new industries; and
- Focused economic development strategies supported by timely results-oriented initiatives for the Los Angeles region.

Pursuant to California Government Code Section 26227, the Board of Supervisors may expend money to fund non-County programs that are deemed to be necessary to meet the social needs of its residents. This agreement with LAEDC meets the social needs of Los Angeles County residents by working to attract and grow businesses and jobs in the Los Angeles region. Los Angeles County has been contracting with LAEDC since fiscal year 1998-99.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The grant allocation to the LAEDC will be used for the direct support of the marketing and promotion efforts of the Los Angeles County region. The following are examples of the programs and services from which the Los Angeles region will benefit:

- Business Development Services Center – offers confidential information, assistance, referrals, and serves as a first-stop business resource center by providing custom consulting services.
- Economic Research and Consulting – offers timely, relevant, economic and industry data for the region and the five-county area, as well as custom consulting services.
- Offers various economic publications which provide valuable information for both government agencies and the business community.
- Offers numerous economic seminars and conferences featuring many of the region's most influential economists and business associates.

CONCLUSION

Please return two adopted copies of this letter to the Chief Executive Office, Finance and Budget Development. The original Board executed copy should be retained for your files.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DL:SK
EC:CD:alc/yjf

Attachment

c: County Counsel
Auditor-Controller

2009-10 LAEDC.bl

SOCIAL PROGRAM AGREEMENT

Contract No. AO-09-055
Fiscal Year 2009-10

Name of Organization: Los Angeles County Economic Development Corporation (LAEDC)
Address: 444 South Flower Street, 34th Floor
Los Angeles, CA 90071
Contractor's Project Director: William C. Allen **Telephone No.:** (213) 622-4300

Status of Organization: Profit [ ] Non Profit [xx]

Name, Location, Description of Program:
The LAEDC is a private, non-profit 501(c) 3 organization established in 1981 with the mission to attract, retain and grow businesses and jobs in the Los Angeles region. The LAEDC addresses the needs of the business and government community through:

- Timely, relevant economic information and analysis;
- Direct business assistance to attract, retain and expand business;
- Networking and assistance to technology-based businesses to help create new industries; and
- Focused economic development strategies supported by timely results-oriented initiatives for the region.

The grant allocation to the LAEDC shall be used for the direct support of the marketing and promotion efforts of the Los Angeles County region. The following are examples of programs and services from which the region will benefit:

- Business Development Services Center - Offers confidential information, assistance, referrals, and serves as a first-stop business resource center by providing custom consulting services.
- Economic Research & Consulting - Offers timely, relevant economic and industry data for the region and the five-county area, as well as custom consulting services.
- Publications - Offers various economic publications which provide valuable information for both government agencies and the business community.
- Events - Offers numerous economic seminars and conferences featuring many of the region's most influential economists and business associates.

Consistent with the receipt of this grant, LAEDC will provide timely notification of Management Committee meetings to the County Marketing Director (see County contact person, below); the County Marketing Director will be afforded an opportunity to provide advisory input and commentary at these meetings as to commitment of County grant funding in the efforts of the LAEDC program initiatives.

Proposed Social Need to be Satisfied:

Contract Period: 07/01/09 to 12/31/09 **Grant Amount:** $625,000

Total Proposed Expenditures:
1) Personnel Costs: $500,000 **2) Non-Personnel Costs:** $125,000

County Department: Chief Executive Office
County Contact Person: Cynthia Duong **Telephone No:** (213) 974-1024

Contractor's Project Director verifies that:

- I have the power to execute this contract.
- I have read the attached Terms and Conditions and agree thereto.
- Financial and program records will be maintained for 3 years.
- A report on the results of this project and the expenditures will be made within 60 days of the termination of this Agreement.
- These funds will be used for the program specified above and any unused funds will be returned at the end of the contract period.

Contractor Signature	Title	Date
	CFO, CAO	6/9/2009

COUNTY OF LOS ANGELES
Pursuant to Government Code Sections 23005, and 26227, and an adopted Resolution by the Board of Supervisors:

By _____
DON KNABE
Chairman, Board of Supervisors

By _____
WENDY L. WATANABE
Auditor-Controller

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By _____
ALLISON MORSE
County Counsel

By _____
SACHI A. HAMAI
Executive Officer, Board of Supervisors

SOCIAL PROGRAM AGREEMENT
TERMS AND CONDITIONS

1. COMPENSATION
The COUNTY shall compensate the CONTRACTOR payable upon presentation of an invoice.

2. INDEPENDENT CONTRACTOR
The CONTRACTOR shall perform all services included in this Agreement in an independent capacity and neither CONTRACTOR nor CONTRACTOR'S employees shall be considered as employees of the COUNTY. This Agreement is by and between the CONTRACTOR and the COUNTY and is not intended, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the COUNTY and the CONTRACTOR.

3. ENTIRE AGREEMENT
This document constitutes the entire Agreement between the COUNTY and the CONTRACTOR for services to be performed.

4. ASSIGNMENTS AND SUBCONTRACTS
The CONTRACTOR may enter into subcontracts for performance of portions of this Agreement only upon receipt of prior written consent of the County Department Director or his/her designee. All appropriate provisions and requirements of this Agreement shall apply to the sub-agreement. The CONTRACTOR shall be held responsible by the COUNTY for performance of any sub-contractor.

5. INDEMNIFICATION
CONTRACTOR agrees to indemnify, defend and hold harmless the COUNTY, their agents, officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to bodily injury, death, personal injury, or property damage arising from or connected with CONTRACTOR'S operations or services hereunder, including any workers' compensation suits, Federal Fair Labor Standards Act wage and hour law violations, liability, or expense, arising from or connected with services performed by or on behalf of CONTRACTOR by any person pursuant to this Agreement.

6. INSURANCE
Without limiting CONTRACTORS indemnification of COUNTY, the CONTRACTOR shall provide and maintain at its own expense during the term of this agreement the following program(s) of insurance covering its operations hereunder. Such insurance shall be provided by insurer(s) satisfactory to the COUNTY'S Risk Manager and evidence of such programs satisfactory to the COUNTY shall be delivered to County Contact Person on or before the effective date of this Agreement. Such evidence shall specifically identify this Agreement and shall contain express conditions that COUNTY is to be given written notice at least thirty (30) days in advance of any modification or termination of any program of insurance. All such insurance, except for Workers' Compensation, shall be primary to and not contributing with any other insurance or self-insurance coverage maintained by County and shall name the County of Los Angeles as an additional insured.

A. Commercial General and Auto Liability:
With limits of not less than $1 million per occurrence.

B. Workers' Compensation:
A program of Workers' Compensation Insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California, and which specifically covers all persons providing services by or on behalf of CONTRACTOR and all risks to such persons under this Agreement, and including Employers' Liability coverage with a $1 million per limit.

C. Crime Insurance:
A comprehensive blanket crime insurance policy with each insuring agreement in an amount not less than $25,000, insuring against loss of money, securities, or other property referred to hereunder which may result from:

(1) Dishonesty or fraudulent acts of officers, directors, or employees of CONTRACTOR, or
(2) Disappearance, destruction or wrongful abstraction inside or outside the premises or CONTRACTOR, while in the care, custody or control of the CONTRACTOR, or
(3) Sustained through forgery or direction to pay a certain sum in money.

D. Property Coverage:
If, under the terms of this agreement, CONTRACTOR shall have possession of rented or leased or be loaned any COUNTY-owned real or personal property, CONTRACTOR shall provide:

(1) Real Property: Insurance providing Special form ("all risk") coverage for the full replacement value.
(2) Personal Property: Insurance providing Special form ("all risk") coverage for the actual cash value.

7. RECORDS RETENTION AND INSPECTION
Within ten (10) days of County Department Director's or his/her designee's written request, CONTRACTOR shall allow COUNTY access to financial and program records during regular business hours at any place CONTRACTOR keeps those records.

8. CONFLICT OF INTEREST
CONTRACTOR covenants that neither the CONTRACTOR nor any of it agents, officers, its employees, or sub-contractors who presently exercise any function of responsibility in connection with the program has personal interest, direct or indirect, in the Agreement, except to the extent he may receive compensation for his or her performance pursuant to this Agreement.

CONTRACTOR, its agents, officers, employees, and sub-contractors shall comply with all applicable Federal, State and County laws and regulations governing conflict of interest.

9. ASSURANCES
The CONTRACTOR gives and certifies with respect to the program that it will comply with Federal OMB Circulars A-102, A-110, A-112, A-128, and A-133 as they apply to the CONTRACTOR.

The CONTRACTOR further assures that:

A. Authority:
It possesses legal authority to execute the proposed program, that a resolution, motion, or similar action has been fully adopted or passed, as an official act of the CONTRACTOR'S governing body, authorizing receipt of the funds, and directing and designating the authorized representative(s) of the CONTRACTOR to act in connection with the program specified and to provide such additional information as may be required by the COUNTY.

B. Civil Rights:
CONTRACTOR shall abide by the provisions of the Title VI and VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Sections 2000e (17), (P.L. 88-353), and applicable Federal and State laws, rules and regulations prohibiting discrimination under any program activity or employment for which CONTRACTOR received funding under this Agreement. Any subcontracts awarded by CONTRACTOR shall contain this provision.

C. Prohibited Actions:
CONTRACTOR agrees not to engage in or permit any religious proselytizing or political propagandizing in connection with the performance of this Agreement. The CONTRACTOR agrees to comply with the provision of the Federal Hatch Act and with Section 675e of Subtitle B of Title VI of Public Law 97-35, as amended, which limits political activity of employees, and with Public Law 101-121 (31 U.S.C. Section 1352) which prohibits use of Federal funds to influence the award of Federal contracts or grants.

D. OSHA/CAL-OSHA Compliance:
CONTRACTOR shall comply with the provisions of the Occupational Safety and Health Act of 1970 (29 U.S.C. 661 et seq.) and the California Occupational Safety and Health Act (Chapter 993 of the 1973 Statutes of California).

10. SUSPENSION AND TERMINATIONS

The CONTRACTOR agrees to suspend program operations for a period not to exceed sixty (60) working days effective immediately upon written notice of suspension from the County Project Director. This provision will be applied if, in the judgement of the County Project Director, circumstances exist which could result in illegal or inappropriate expenditures of program funds. Either party may terminate this agreement, or any part hereof by giving fifteen (15) days notice to the other.

The County Department Director or his/her designee may terminate this Agreement immediately by written notice to the CONTRACTOR upon CONTRACTOR'S failure to comply with the provisions of this Agreement. It is also understood and agreed, however, that should the COUNTY determine that CONTRACTOR"S failure to perform relates to only part of the services CONTRACTOR is performing, the COUNTY, in its sole discretion, may elect to terminate only that part of the Agreement which shall in no way void or invalidate the rest of this Agreement. In the event of termination of all or part of this Agreement, COUNTY shall pay to CONTRACTOR for all allowable budgeted costs actually incurred by CONTRACTOR prior to the effective date of such termination less payments paid by COUNTY for such services.

If this Agreement is terminated, CONTRACTOR shall within five (5) days of receipt of notice of termination from COUNTY, notify all other parties who are subcontractors of the CONTRACTOR of such termination.

Payment shall be made upon the filing with the COUNTY, by CONTRACTOR, of a voucher(s) evidencing the time expended and the cost incurred. Said vouchers must be filed with the COUNTY thirty (30) days of date of said termination.

11. FAIR LABOR

CONTRACTOR agrees to indemnify, defend, and hold harmless the COUNTY, its agents, officers and employees from any and all liability including, but not limited to, wages, overtime pay liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law violation including, but not limited to, Federal Fair Labor Standards Act for services performed by the CONTRACTOR"S employees for which the COUNTY may be found jointly or solely liable.

12. CITIZENSHIP

CONTRACTOR warrants that it fully complies with all laws regarding employment of aliens and others, and that all its employees performing services hereunder meet citizenship or alien status requirements contained in Federal statutes and regulations. CONTRACTOR shall indemnify, defend and hold harmless, the COUNTY, its officers and employees from employer sanctions and any other liability which may be assessed against the CONTRACTOR or COUNTY, or both, in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this agreement.

13. COUNTY LOBBYISTS

CONTRACTOR and each COUNTY lobbyist or COUNTY lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by CONTRACTOR, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code chapter 2.160. Failure on the part of CONTRACTOR or any COUNTY lobbyist or COUNTY lobbying firm retained by CONTRACTOR to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which COUNTY may immediately terminate or suspend this Agreement.

14. USE OF RECYCLED PAPER

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

15. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

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.

16. CONSIDERATION OF GAIN PROGRAM PARTICIPANTS FOR EMPLOYMENT

Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, 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 who meet the CONTRACTOR'S minimum qualifications for the open position. The COUNTY will refer GAIN participants by job category to the CONTRACTOR.

17. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY'S policy to encourage all COUNTY contractors to voluntarily post COUNTY'S "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at CONTRACTOR'S place of business. COUNTY'S District Attorney will supply CONTRACTOR with the poster to be used.

18. TERMINATION FOR DEFAULT

Services performed under this Agreement may be terminated immediately in whole or in part by COUNTY by providing to CONTRACTOR a written Notice of Default if 1) CONTRACTOR fails to perform the services within the time specified in this Agreement or any extensions approved by COUNTY, 2) CONTRACTOR fails to perform any other covenant or conditions of this Agreement, or 3) CONTRACTOR fails to make progress so as to endanger its performance under this Agreement.

In its sole discretion, COUNTY may include in the Notice of Default a period of time for CONTRACTOR to cure the Default(s).

Without limitation of any additional rights or remedies to which it may be entitled, if COUNTY terminates all or part of the services because of CONTRACTOR'S Default, COUNTY, in its sole discretion, may procure replacement services, as determined by COUNTY at its sole discretion.

19. TERMINATION FOR IMPROPER CONSIDERATION

County may, by written notice to CONTRACTOR, immediately terminate the right of CONTRACTOR to proceed under this Agreement if it is found that consideration, in any form, was offered or given by CONTRACTOR, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the CONTRACTOR's performance pursuant to the Agreement. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR. CONTRACTOR shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (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.

20. NOTICES

Notices will be sent to the CONTRACTOR addressed as follows:

WILLIAM C. ALLEN	(213) 622-4300
(Contact Person)	(Telephone Number)

LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION
(Contractor's Name)

Notices, performance and fiscal reports shall be sent to the COUNTY as follows:

Chief Executive Office
County of Los Angeles
500 W. Temple Street, Room 750
Los Angeles, CA 90012

Attention: CYNTHIA DUONG, FINANCE/BUDGET DEVELOPMENT

June 8, 2009 LAEDC 2009-10 JULY-DEC