



CITY HALL  
LOS ANGELES, CALIFORNIA 90012

November 17, 2014

To all interested parties:

Attached is a copy of a request for proposal (RFP) for professional assistance to provide the City of Los Angeles with an independent, objective and comprehensive economic and fiscal analysis of the Citywide Minimum Wage proposal. The City of Los Angeles is seeking proposals from qualified consultants with extensive experience in economic and fiscal analysis of major policies related to minimum wages and their effects on local economies. All proposals shall be submitted in accordance with the requirements set forth in the attached document.

**Proposals are due no later than 5:00 PM, Thursday, December 11, 2014.** The City reserves the right to extend the deadline for response to this RFP and to waive any formality in procedure should such action be deemed in the best interest of the City. A hard copy of your submittal should be directed to:

Office of the Chief Legislative Analyst  
Attention: John Wickham  
200 N. Spring St., City Hall Room 255  
Los Angeles, CA 90012

Please forward electronic copies of your submittal to Trina Unzicker, Office of the City Administrative Officer, at [trina.unzicker@lacity.org](mailto:trina.unzicker@lacity.org). Both the hard copy and the electronic copy must be submitted no later than 5 p.m. on Thursday, December 11, 2014. Any questions on this RFP and the Citywide Minimum Wage proposal should be directed to John Wickham at (213) 473-5738.

Thank you for your interest in this project.

Sincerely,

Sharon M. Tso  
Chief Legislative Analyst

Miguel A. Santana  
City Administrative Officer

Attachments

**REQUEST FOR PROPOSAL**

**ECONOMIC AND FINANCIAL ADVISORS TO EVALUATE  
THE  
CITYWIDE MINIMUM WAGE PROPOSAL**

**City of Los Angeles**  
*Office of the Chief Legislative Analyst*  
*Office of the City Administrative Officer*

**November 17, 2014**

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**CITY OF LOS ANGELES  
REQUEST FOR PROPOSALS BY  
PROPOSERS TO EVALUATE THE  
CITYWIDE MINIMUM WAGE PROPOSAL**

**I. INTRODUCTION**

The City of Los Angeles (City) intends to hire an economic and/or financial advisor to evaluate the Citywide minimum wage proposal. This Request for Proposals (RFP) provides information for prospective bidders concerning the scope of the project and the services required to evaluate this project.

**A. Intent**

The City is seeking proposals from qualified firms specializing in economic and fiscal analysis to provide the City of Los Angeles with an analysis and review of the economic and fiscal impacts of a Citywide minimum wage proposal, including review of policy options associated with the implementation of a Citywide minimum wage.

**B. General Overview**

The Economic Development Committee of the Los Angeles City Council is considering a proposal to impose a Citywide minimum wage, with the intention of establishing an hourly rate of \$13.25 by 2017. The minimum wage proposal further seeks to understand the means and options available to, and the implications of, an increase of the minimum wage from \$13.25 to \$15.25 between 2017 and 2019. Once the target minimum wage rate has been met, either \$13.25 by 2017 or \$15.25 by 2019, then the hourly rate would increase annually as measured against the Consumer Price Index for the Los Angeles Metropolitan area.

Based on discussion during its October 28, 2014, meeting, the Economic Development Committee determined that a study to understand the effects of this proposal on the City's economy would be appropriate. The Committee instructed the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO) to prepare this RFP and seek a consultant who will evaluate this matter, including job creation and loss; impacts of the proposal on specific industries and business types (such as small businesses and non-profits); an estimation of the number of workers that would receive a wage increase and the effects of the wage increase on these workers; the potential effects on local tax revenues; and policy adjustments that might be available to address any potential negative effects of the proposal on specific industries or business types, as well as the City's economy generally. The consultant report would also describe the general demographic and economic context of the City in comparison to other local jurisdictions in the State and nation, as well as conduct a review of and summarize recent studies concerning the minimum wage, the structure of local minimum wage policies, and the effects of local minimum wage policies.

The Committee instruction directed the CLA and the CAO Office of Economic Analysis (OEA) to procure a contract for an independent study. Discussion during the Committee meeting indicated a desire to expand the search for a contractor beyond the OEA on-call panel of economic

consultants. It is in the spirit of obtaining a broad pool of applicants on such a significant issue of Citywide importance that this RFP has been released.

**C. Required Copies and Deadline for Submission of Proposal**

Proposers must supply all information requested in the format prescribed by this RFP. One original copy of the proposal is required. The proposal shall be addressed to:

Office of the Chief Legislative Analyst  
Attn: John Wickham  
200 N. Spring Street, Room 255  
Los Angeles, CA 90012

An electronic copy of the proposal shall be sent to Trina Unzicker, Office of the City Administrative Officer, at [trina.unzicker@lacity.org](mailto:trina.unzicker@lacity.org). Respondents must submit both a hard copy and an electronic copy. Failure to submit both may be cause for disqualification of the submission. No electronic or hard copy of a proposal will be accepted after **5:00 P.M., Thursday, December 11, 2014**. The City reserves the right to extend the deadline for response to this RFP and to waive any informality in procedure should such action be deemed in the best interest of the City. In the event this date is changed, notice will be posted on the Business Assistance Virtual Network (BAVN) at [labavn.com](http://labavn.com) and those who have been sent the RFP will be notified in writing. If a response to the RFP has been provided before the deadline and the deadline is extended, those proposers will be notified and given an opportunity to amend their response. The City may require oral presentation of the proposals by the proposers to a review committee. The City reserves the right in its sole discretion to determine the timeliness of all proposals, extend the submission deadline and/or to reject all proposals.

A proposer's conference will be held via conference call on Thursday, November 20 at 9:30 a.m. Participation in the proposer's conference is not mandatory, but is recommended. To receive the call-in number and passcode, contact John Wickham at (213) 473-5738 to register. If you experience technical difficulties while calling in or participating with the conference call, please forward your questions or comments in writing to [trina.unzicker@lacity.org](mailto:trina.unzicker@lacity.org) no later Friday, November 21, 2014. A FAQ document addressing issues raised during the call will be posted on BAVN during the week of November 24.

**II. SCOPE OF SERVICES**

The selected consultant will prepare one report and, as necessary, one supplemental report, addressing the following issues:

- a. How to establish a required minimum wage in the City of Los Angeles of \$13.25 by 2017, and then increase the minimum wage to \$15.25 an hour by 2019, to be followed by annual increases based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area ("Los Angeles-Riverside-Orange County, CA") which is published by the Bureau of Labor Statistics (i.e., evaluate the

proposed timeline for minimum wage increases from implementation through 2019, with the intent to reach \$13.25 by 2017 and \$15.25 by 2019), as well as comment on other timeline implementation options;

- b. Provide a full analysis of the economic impact of this minimum wage proposal, including both the positive and negative effects on the City;
- c. Provide an analysis of the minimum wage proposal's effects on the local economy, including the number of people who would benefit from an increased wage and the potential for additional tax revenues;
- d. Provide an analysis of unintended consequences, including the reduction of workers benefits and hours;
- e. Provide an analysis on job creation and job/business retention;
- f. Identify specific industries that could experience negative impacts resulting from this proposal, and evaluate the pros and cons of categorical exemptions or other solutions to reduce potential negative impacts of the proposal on specific industries, including non-profits and small businesses. Provide clear definitions of the industries identified, including definitions of non-profits and small businesses;
- g. Provide an analysis for an option to establish a base and ceiling on automatic wage increases;
- h. Provide a review of options for the enforcement of a minimum wage ordinance; and
- i. Provide a comparison of cost of living, demographics, and median wage in the City of Los Angeles versus other metropolitan areas.

In addition, Consultant will attend all meetings of the Economic Development Committee and the City Council to answer questions concerning their report and questions related to the subject matter of the report.

Bidders should review discussion of this matter by the Economic Development Committee on October 28, 2014; documents provided to the Committee for consideration at that meeting; and other documents submitted to the Council File, as responses to the discussion, comments, and submitted documents may be incorporated into the report requirements. Documents may be found on the City Clerk's website at:

<http://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=14-1371>

An audio recording of the hearing may be found on the City Clerk's website at:  
[http://lacity.granicus.com/MediaPlayer.php?view\\_id=103&clip\\_id=13855](http://lacity.granicus.com/MediaPlayer.php?view_id=103&clip_id=13855)

### **III. TIMETABLE AND DELIVERABLES**

A draft report with relevant findings shall be submitted to the CLA and CAO for consideration no later than Friday, January 30, 2015, while a final report shall be submitted to the City for consideration by February 6, 2015. The selected proposer will be expected to attend all formal hearings of the Council and its Committees to explain and respond to questions regarding the report and findings. These meetings are anticipated to be held between approximately February and June 2015.

### **IV. CONTENTS OF PROPOSAL**

Proposals shall be organized as described below. You should note the various attachments that must be submitted with your proposal. Any omissions and/or deviations from this proposal must be listed with complete explanations. Failure to follow these guidelines may cause your proposal to be considered non-responsive.

#### **A. Cover Letter**

The cover letter of each proposal shall be limited to one page. The letter must include the name, title, address, and telephone number of the person or persons who will be authorized to represent the proposer. The letter must be signed by a company officer authorized to bind the company to all commitments made in this proposal.

The cover letter must also contain a statement that the proposal shall remain firm for a period of one hundred twenty (120) calendar days following the deadline date for submission, which date is noted in the cover letter and body of this RFP.

#### **B. Business Organization**

This section is intended to provide core descriptive information concerning your firm and must include the following:

1. State the full name and address of your organization and, if applicable, any branch or district office that will be involved with this analysis.
2. Indicate whether you operate as an individual, partnership, or corporation. If a corporation, include the State in which you are incorporated. Bidders may propose a consultant team of independent firms, organizations, or individuals if appropriate. If proposing a consultant team, provide a clear organizational management approach for the team.
3. Provide copies of any license(s) and/or registration(s) which indicate that your firm is licensed and/or registered to operate in the State of California and the City of Los Angeles.



4. If you propose to subcontract any portion of the work in your proposal, identify the subcontractor(s), their address, and whether they operate as an individual, partnership or corporation.
5. Note your City of Los Angeles Business Tax Registration Certificate Number, Vendor Registration Number, or Certificate of Exemption Number, and the same for any subcontractor.

**C. Prior Experience**

Submit a statement of similar work or services your firm has provided to the City or other public and private sector entities. Provide a description of the relevant experience, the duration of the project, and the ending date. Include the name, address, and telephone number of the responsible person in the referenced jurisdiction whom the City can contact to verify this work. Please provide a minimum of five references involving work that is similar to the subject RFP.

**D. Key Personnel**

The contractor must be able to demonstrate the capability and appropriate experience of key personnel who will be assigned to conduct and manage this analysis. Key personnel assigned to the analysis shall be identified by name and title. A statement of the analysis area(s) for which each individual will be responsible shall be included as well. Resumes for these key personnel are required to be submitted as well as those of other employees the contractor will employ to perform various portions of the analysis. The City shall have the right to conduct background verifications on all personnel directly assigned to the analysis, including the key personnel noted above. The City will reserve the right to approve any changes in key personnel and to require the replacement of non-performing personnel assigned to the analysis. The same requirements apply to any subcontractors.

**E. Statement of the Program**

Provide a straightforward, concise statement of your understanding of the analysis requirements and objectives, and demonstrate your plan to provide the required analysis described in the Scope of Services.

**F. Fee for Services**

The selected contractor will be compensated on a fixed price basis. The proposer must state the fee required to perform all work, including billing hours and rates. The proposal must break down the project into logical phases and state the portion of the fee associated with completion of each logical phase. The City will assign a City staff person who will administer the contract and monitor the activities of the selected Proposer to ensure all requirements and performance under the contract is met; however, the selected Proposer shall be responsible for the services delivered and implemented under the contract. The City will not provide parking, clerical activities or support, office/storage space, telephone service or reproductive services through the proposal process and project.

**The fixed price shall not exceed \$100,000. Bids exceeding \$100,000 shall be disqualified.** Please note that the successful proposer must be willing to work under a Notice to Proceed while a final contract is negotiated. Eighty percent of payment will be rendered after receipt of the firm's final report due on February 6, 2015; the balance will be rendered after the conclusion of Committee and Council presentations.

**G. Conflict of Interest**

All proposers **must** disclose whether they have any actual or perceived conflict of interest with regard to their work on this project. A conflict of interest does not automatically result in disqualification from consideration, but may be a factor in such consideration.

**H. Proposal Addenda**

The City requires that Contractors comply with certain programs, as described below. Your submittal must include all signed statements pertaining to the following and these documents must be included by the submission deadline of December 11, 2014:

1. Standard Provisions for City Contracts (Appendix A)
2. City Insurance Requirements (Appendix B)
3. Affirmative Action/Nondiscrimination Program (Appendix C)
4. Americans with Disabilities Act Policy (Appendix D)
5. Child Support Ordinance (Appendix E)
6. Contractor Responsibility Questionnaire (Appendix F)
7. Equal Benefits Ordinance (Appendix G)
8. Living Wage Statutory Exemptions (Appendix H)
9. Service Contract Worker Retention Ordinance (Appendix I)
10. Los Angeles Residence Information (Appendix J)
11. Non-Collusion Affidavit (Appendix K)
12. Slavery Disclosure Ordinance (Appendix L)
13. First Source Hiring Ordinance (Appendix M)
14. City Ethics Form 50 – Bidder Certification (Appendix N)

These materials are not required from OEA panelists that submit a response to this RFP as compliance with these City programs was previously demonstrated.

**I. Additional Information**

Provision of additional information is discouraged, but may be appropriate to allow you to provide information essential to complete an evaluation of your proposal. It is imperative that additional information be specific and relevant to the Scope of Work for this project. Further, additional information should be concise, with extreme constraint in the number of additional pages provided. Do not provide generic materials of any kind. If you have no additional information, this section of your proposal should consist of the following statement: "There is no additional information we wish to present."

## **V. CONTRACT REQUIREMENTS**

The selected Proposer(s) will be required to enter into a written contract with the City of Los Angeles in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal will remain on file and will constitute a part of the contract. However, the City reserves the right to further negotiate the terms and conditions of the contract with the selected contractor.

### **A. Contract Term**

The Chief Legislative Analyst and City Administrative Officer anticipate negotiating a contract with a duration of 12 months, through December 2015, with an option to extend.

### **B. Standard Provisions for City Personal Services Contracts**

The “Standard Provisions for City Personal Services Contracts” (Appendix A) will be incorporated into the contract and are not subject to negotiation. This RFP and the proposal, or any part thereof, may be incorporated into and made a part of the final contract. However, the City reserves the right to further negotiate the terms of the contract with the selected Proposer. All work assigned to the Proposer under a resulting contract will be subject to available funding, and no minimum level of work or funding is guaranteed.

### **C. Termination of Contract**

Any contract awarded pursuant to this RFP may be terminated in whole, or in part, by the City for its convenience effective as of any date, upon ten (10) days written notice thereof. The City reserves the right to verify the information in the proposal and to consider unverifiability in its decision making. If it is determined that a contract was awarded as a result of false statements submitted in response to this RFP, the City reserves the right to terminate that contract.

### **D. Disposition of Proposals and Disclosure of Information**

The City reserves the right to retain all proposals submitted and the proposals will become the property of the City of Los Angeles. All proposals received will be considered public records potentially subject to disclosure under the Public Records Act (California Government Code Section 6250 et seq.). Proposers must identify any material they claim is exempt from disclosure under the Public Records Act. Any Proposer claiming such an exemption must identify the specific provisions of the Public Records Act that provide an exemption from disclosure for each item that the proposer claims is not subject to disclosure under said Act. In the event that such exemption is claimed, the proposer must then state in the proposal that he or she will defend, indemnify and hold harmless the City, its officers and employees from any action brought against the City for its refusal to disclose such material to any party making a request therefore. Failure of a Proposer to include such a statement shall constitute a waiver of proposer’s right to exemption from disclosure.

**E. Mandatory Protest Provisions**

Any protest as to the RFP documents or matters or procedures referred to therein must be submitted in detail and in writing and postmarked within 5 calendar days after the issuance of the RFP to the public. The RFP is considered issued when posted to the Los Angeles Business Assistance Virtual Network at <http://www.labavn.org/>. All persons submitting proposals in response to this RFP will be notified of the City's intended award by electronic mail. Any protest regarding the City's intention to award a contract which results from this RFP process must be submitted in detail and in writing and be postmarked within 5 business days of the electronic mail date of the City's notification concerning the City's intention to award a contract that results from this RFP process.

Any protest, whether relating to the RFP or to the eventual awarding of a contract resulting from this RFP process, shall contain a full and complete statement specifying in detail the grounds of the protest and the facts in support thereof. All protests must include the following information:

1. The name address and telephone of the person representing the protesting party;
2. The name of the involved RFP;
3. A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents and an indication as to what specific portions of the documents form the basis of the protest;
4. A statement as to the form of relief requested;
5. Any reasons or evidence as to why a contract award should not be made according to the City's plans;
6. If applicable, a request that a hearing with an independent reviewer be set within 5 calendar days of the actual receipt by the City of the protest or, in the alternative, a statement that the protester waives such hearing.
7. A request that the independent reviewer issue a decision either sustaining or denying the protest.

All protests, whether relating to the RFP or a resulting contract award, must be in writing and sent via certified mail to:

Sharon M. Tso, Chief Legislative Analyst  
Office of the Chief Legislative Analyst  
200 N. Spring St., Room 255  
Los Angeles, California 90012

The procedure and time limits set forth in this Section are mandatory and are the sole and exclusive remedy available in the event of protest. Failure to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Code claim or legal proceedings. The City will only consider protests by or against any Proposer(s) who appear to have a substantial and reasonable prospect of receiving an award if the protest is denied or sustained, as applicable.

Protests meeting the above criteria will be reviewed by the Chief Legislative Analyst, or her designee. Protesting parties requesting a hearing will be notified of the time and date of a hearing within five (5) calendar days of the actual receipt of the written protest with designated reviewer. Protestors requesting a hearing will be given the opportunity to present their arguments to the independent reviewer, who will hear and consider the contents of any written protest and/or any arguments made at the time of the hearing, and will issue by mail a decision in writing to the protester that either denies or sustains the protest within 5 calendar days. The decision of the independent reviewer shall be final.

## **VI. SELECTION CRITERIA**

Each proposal must meet all requirements included in Section IV of this RFP . *Proposals will be evaluated by a Proposal Review Committee. During this time, the Proposal Review Committee will review all responsive proposals. Scoring and short-listing will be determined based on the evaluation criteria and point totals identified below:*

### **Possible 100 Points:**

#### **Proposal Quality, Responsiveness and Soundness of Approach 40 Points maximum**

Written proposals will be evaluated for adherence to the RFP requirements, specific technical solution(s), completeness and clarity of content. Proposals should provide a straightforward, concise statement of the proposer's understanding of the project tasks and objectives. The proposed methodology and approach to the work will be evaluated in terms of appropriateness, ability / willingness to meet the timeline described in Section III of this RFP, and consideration of relevant issues that may not have been mentioned in the RFP.

#### **Comparable Firm Experience 25 Points maximum**

The experience of proposers in having accomplished similar analyses.

#### **Evaluation of Key Personnel 25 Points maximum**

The relevant experience of key personnel to be assigned to the analysis should be clearly set forth. An organizational structure for the analysis should be provided, with the key personnel to be assigned identified as to their functions and responsibilities.

#### **Fee for Services – (Fixed price) 10 Points maximum**

The Fee for Service will be scored based on the proposed cost to complete the Scope of Work relative to all proposals submitted.

At the discretion of the City, firms submitting the most responsive proposals may be required to make oral presentations to the review committee. The successful Proposer(s) will be named after the proposals and presentations (if any) are evaluated to select the most qualified firm(s). Any contract(s) awarded pursuant to this RFP is subject to the Contractor Evaluation Ordinance which requires awarding authorities to evaluate contractors' performance and to retain such evaluative information in a data bank for future reference.

#### **VII. ACCEPTANCE OF TERMS AND CONDITIONS**

Submission of a proposal pursuant to this RFP shall constitute acknowledgement and acceptance of all terms, conditions, and content set forth in this RFP.

#### **VIII. REJECTION OF REPOSSES TO RFP**

The City reserves the right to withdraw this RFP at any time without prior notice and the right to accept or reject any and all responses to it. The City may also reject the proposal of any proposer who has failed to timely and satisfactorily perform any contract with the City. The City makes no representation that any contract will be awarded to any person or firm responding to this RFP.

#### **IX. FINANCIAL RESPONSIBILITY**

All costs incurred in responding to this RFP shall be borne by the proposer. The City shall not, in any event, be liable for any pre-contractual expenses incurred by the proposer in the preparation and/or submission of its proposal.