

CITY OF LOS ANGELES



**BOND ASSISTANCE PROGRAM
LOS ANGELES
BROKER/ADMINISTRATOR
REQUEST FOR PROPOSALS**

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City of Los Angeles Request for Proposals

Bond Assistance Program Los Angeles Broker/Administrator

1. Invitation

The Offices of the Mayor and the City Council, in their ongoing efforts to increase the level of small local and Disadvantaged/Minority/Women (small local and DBE/MBE/WBE) owned business enterprises contractor and subcontractor participation in the bidding process for Citywide contracting opportunities, have requested the continuance of the Citywide Bond Assistance Program Los Angeles (Program) which also includes opportunities at the Department of Water and Power, Los Angeles World Airports and the Port of Los Angeles. Through the Office of the City Administrative Officer, Risk Management (Risk Management), the City of Los Angeles (City) will provide the needed technical assistance and financial guidance to small local and DBE/MBE/WBE contractors and subcontractors to help them obtain the statutorily required surety bonds necessary to bid on City projects. Selection of the Broker/Administrator will be conducted by a panel consisting of representatives from the proprietary departments and from the Office of the City Administrative Officer, Risk Management.

The City of Los Angeles is seeking statements of qualifications and proposals for administration of the City's Bond Assistance Program. Proposals must be submitted no later than 3:00 P.M., Wednesday, November 28, 2012.

2. City of Los Angeles – General Background

The City of Los Angeles is the second most populous city in the United States with an estimated 2011 population of approximately 3.8 million. Los Angeles is the principal city of a metropolitan region stretching from the City of San Buenaventura to the north, the City of San Clemente to the south, and the City of San Bernardino to the east. The City's 470 square miles contains 11.5 percent of the area and 39.1 percent of the population of the County of Los Angeles.

As Executive Officer, the Mayor supervises the administrative process of the City and works with the Council in matters relating to legislation, budget and finance. As governing body of the City, the 15 member, full-time Council enacts ordinances, levies taxes, approves utility rates, authorizes contracts and public improvements, adopts zoning and other land use controls and provides the necessary resources for the budgetary departments and offices of the City.

Public services provided by the approximately 32,000 City employees include: police, fire and paramedics, residential refuse collection and disposal, wastewater collection and treatment,

street maintenance and other public works functions, enforcement of ordinances and statutes relating to building safety, public libraries, recreation and parks, community development, housing and aging services, and planning.

The City Capital Improvement Program is divided into three major categories; Wastewater, which includes the sewer collection system, pumping stations, and treatment plants; Physical Plant, which includes streets, streetlights, and storm drains; and Municipal Facilities, which includes all City-owned buildings, parks and service yards. Based upon the City of Los Angeles fiscal year 2012-13 budget, the construction value for Wastewater major projects is estimated to be approximately \$139 million.

Department of Water and Power – General Background

The Los Angeles Department of Water and Power (LADWP) is the largest municipally owned utility in the United States, responsible for the supply and distribution of water and electric power to over 1.4 million residential and commercial customers in the City. The LADWP employs approximately 9,200 employees to serve a 470-square-mile area ranging from the Pacific Ocean to the San Gabriel Mountains. It began the municipal distribution of water in 1902 and distribution of electricity in 1916.

The LADWP is administered by a five-member Board of Water & Power Commissioners appointed by the Mayor and confirmed by the City Council for five-year terms. LADWP is a proprietary agency of the City and receives no tax support. LADWP operations are financed entirely by the sale of electricity and water, with revenue bonds being the main source of external financing.

Operations and work forces are centered in the greater Los Angeles area with additional facilities in Northern California, Arizona, Utah, and Nevada. At the highest level, the LADWP is organized by a line of business or “System”, i.e. Water or Power. The Water and Power systems operate almost as independent companies with separate budgets.

The LADWP issues an average of 3,900 Purchase Orders or contracts annually under the General Manager’s authority. Approximately 220 contracts in excess of \$150,000 are approved by The Board of Water and Power Commissioners for a total amount of \$1.1 billion annually. The procedures for issuing each of these types of purchases are governed by the City of Los Angeles Charter however many vary by the type of procurement. Based upon the Los Angeles Department of Water and Power fiscal year 2012-13 budget, the construction value for water revenue construction projects and capital improvement is estimated to be approximately \$329 million.

Port of Los Angeles – General Background

The Port of Los Angeles (Port) is operated by the Harbor Department of the City of Los Angeles, and comprises 43 miles of waterfront and approximately 7500 acres of land and water. The Port operates as a “landlord” port, with private enterprise coordinating all cargo

operations and other maritime related functions under agreements with the Port. The Port provides automobile, container, omni, and lumber terminals, including liquid and dry bulk facilities. The Inter-modal Container Transfer Facility (ICTF) is within Port boundaries. Tug and bunker services are located throughout the waterfront. The Port also features the World Cruise Center for cruise trade, as well as facilities for Catalina Island passenger traffic. The Port also accommodates commercial fishing vessels, fish canneries, shipyards, and boat repair yards. As a center of recreational water activity for the Los Angeles area, the Port provides slips for pleasure craft, sport fishing boats, and charter vessels. Based upon the Port of Los Angeles fiscal year 2012-13 budget, the construction value for construction projects and capital improvement is estimated to be approximately \$286 million.

Los Angeles World Airports – General Background

Under the Charter of the City of Los Angeles, the Department of Airports of the City, commonly known as Los Angeles World Airports (LAWA), is a self-supporting proprietary department. As such, LAWA operates independently using its own revenues, and administering and controlling its fiscal activities. LAWA is under the control of a seven-member Board of Airport Commissioners appointed by the Mayor, subject to the oversight of the Council. It is administered by an executive director.

LAWA is a system of three airports owned and operated by the City of Los Angeles. Each of the airports – Los Angeles International (LAX), LA/Ontario International (ONT), and Van Nuys (VNY) – plays an integral role in helping to meet the regional demand for passenger, cargo and general aviation service. Each airport makes a distinct contribution to the strength of the system as each provides a high level of safety, security and service for its customers, communities and stakeholders.

The operation of LAWA's airports is based on is a highly complex relationship between a number of governmental and private organizations. Each organization plays an important role in the activities necessary to provide Los Angeles, the region, the nation, and the world with a modern air transportation system. The following entities are the major organizations involved in making it possible for LAWA to provide the service it does:

- LAWA, as the airport operator
- Federal Aviation Administration (FAA)
- U.S. Department of Homeland Security (DHS) and Transportation Security Administration (TSA)
- Commercial air carriers
- Concessionaires
- Other private contractors

The Airport Revenue Fund is a special fund established by the Charter of the City. All fees, charges, rentals and revenue from every source collected by LAWA in connection with its possession, management and control of LAWA facilities and assets are deposited in the Airport Revenue Fund. LAWA's operating expenses, as well as costs for the acquisition, purchase, lease, or condemnation of LAWA facilities and assets, are paid from the Airport

Revenue Fund. Based upon the Los Angeles World Airports fiscal year 2012-13 budget, the construction value for construction projects and capital improvement is estimated to be approximately \$602 million.

3. General Information

Qualified Brokers interested in providing broker/administrator services to the City are expected to respond in a prescribed manner as outlined in this Request for Proposals (RFP).

Questions concerning the information contained within this RFP may be submitted no later than Monday, November 5, 2012 via e-mail (preferred) or fax to:

Curtis Kelley, CRM
Risk Manager
curtis.kelley@lacity.org
Fax: 213-978-7616

Responding parties must send proposals (six copies) in sealed packages to the address below. All proposals must be signed by the individual or official of the firm who has the authority to bind the firm contractually.

*Attn: Bond Assistance Program Los Angeles Request for Proposals
City of Los Angeles
Office of the City Administrative Officer, Risk Management
200 No. Main Street,
City Hall East, Room 1240
Los Angeles, CA 90012*

Responses will be reviewed promptly. All proposals must be received no later than 3:00 PM, P.S.T. on Wednesday, November 28, 2012. Late responses will not be considered for review. The City may schedule interviews depending upon the number of responders and the perceived need for additional information.

Proposal Timetable

Release of RFP.....	October 22, 2012
Final Day for Broker to Submit Questions.....	November 5, 2012
Proposal Due Date.....	November 28, 2012
Broker Interviews.....	January 7, 2013
Broker Selected.....	January 16, 2013
Contract Start Date.....	March 1, 2013

The City intends to award a contract, in a form approved by the City Attorney, to the selected Broker. This RFP and the proposal submitted or any part thereof may be incorporated into and made a part of the contract. Proposals accepted by the City in writing constitute a legally binding contract offer. Award of contract shall be made to the responsible proposer whose

proposal is determined to be the highest evaluated offer. Proposers will be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. The City does not accept any financial responsibility incurred by any proposer in responding to this RFP. In addition, the City reserves the right to accept or reject any or all proposals, or waive any and all formalities not considered advantageous to the City.

4. Scope of Services

Service requirements for this program include, but are not limited to, the following:

Bond Assistance Program Los Angeles

Assist Risk Management in administering the Program to assist contractors and subcontractors in qualifying for surety bonds as required by statute. This Program may be expanded at a later date to include other Citywide construction activities. The Program may also expand to include other components such as, working capital assistance, additional services, etc. This initial Program includes, but is not limited to, the following elements:

1. Conduct a Citywide Outreach designed to encourage Program participation from small/MBE/WBE/DBE contractors and educate them on the Program and its worth.
2. Attend City workshops and meetings coordinated by the Mayor's Office of Economic Development. Provide needed materials as requested by City and/or make presentations to highlight Program.
3. Analyze prior denied bonding requests. Establish strategy for addressing and overcoming the factors that led to the denials.
4. Select qualified, financially sound surety underwriting facilities and develop working relationships with these resources to assist in the process of bonding contractors. If necessary and appropriate, negotiate and develop written agreements with these entities on behalf of the City.
5. Provide training to City staff and others as deemed necessary.
6. Work with selected sureties to develop underwriting criteria that will protect City resources but will allow maximum participation by contractors and subcontractors requiring bond assistance.
7. Establish a network of advisors and service providers (CPAs, insurance brokers, TPAs, etc.) as necessary to assist contractors and subcontractors in the qualification process and to help ensure successful completion of the Program.
8. Develop necessary forms, instruction documents, procedure manuals and other written control mechanisms for operation of the Program.
9. Educate contractors and subcontractors on the surety bonding process and on the necessary steps to qualify. Provide technical and financial guidance and counseling to small/MBE/WBE/DBE contractors and subcontractors, on such items as preparation of financial reports and business plans, insurance

- placement, bonding application and establishment of assets or credit resources for operating capital.
10. Refer contractors and subcontractors to qualified resources such as bankers, accountants, insurance brokers, business consultants, economic development advisors and City resources.
 11. Utilize existing City resources that aid in the development of the contractors' and subcontractors' ability to obtain surety bonds.
 12. Provide conflict resolution between Program participating contractors, subcontractors, service providers and surety underwriting facilities.
 13. Verify the accuracy and validity of all premiums and fees charged. Establish accounting controls for all City funds used in the Program.
 14. Provide monthly reports to Risk Management documenting the number of contractors counseled and bonded and highlight savings to the Program resulting from Program-qualified contractors and subcontractors winning bids.
 15. Provide outreach to non-English speaking contractors and subcontractors.
 16. At the conclusion of the Program, prepare a closeout report documenting total savings and success of the project.
 17. Monitor contractor and subcontractor activities to ensure continued financial and organizational stability during the contractual phase.
 18. Complete other tasks as deemed necessary by City.

5. Required Information and Format

Broker should respond to all requirements of this RFP to the maximum extent possible. Clearly identify any limitations or exceptions; be straightforward, clear and concise in all responses.

1. A one page letter of introduction signed by an authorized officer or owner of the firm:
 - a. If submitting as a team, note which team is the prime Broker or lead joint venture partner (if applicable).
 - b. The name, address and phone number of the individual who will be in charge of this project.
2. A statement of qualifications that reflects the reasons why your firm believes it is qualified to provide the services requested in the RFP. Please limit your response to five (5) pages.
 - a. Provide information on your firms' experience performing similar services for public agencies, specifically projects with large metropolitan areas.
 - b. Give your firm's primary location and any branch locations.
 - c. List, in detail, any legal actions against your firm within the last five (5) years.

3. A brief discussion as to how you would administer the BAP LA program based upon your firm's experience. Include program development, resources, outreach, training, project monitoring and bonding.
4. A list of all staff to be assigned to the account, designating the individual who will have primary responsibility for oversight of the account (account manager or Broker). This individual(s) must have the appropriate license(s) from the State of California authorizing them to work with Sureties and give bonding advice. Provide resumes of the key staff members who will be responsible for the Program. Describe what function(s) each staff member will perform and his or her experience in working on similar projects. Include name of project(s), client(s), city, and state.
5. Three client references with which your firm has worked within the past five (5) years. Please include firm name, address and telephone number, contact name and telephone number, services performed, and a brief highlight of the results of the program.

6. Basis of Award

The proposals will be evaluated based upon the following scoring. The Broker with the highest overall score will be awarded the contract.

Written proposal	20%
Outreach program	15%
Estimated cost of Program	15%
Interview	25%
Overall qualifications & experience	20%
MBE/WBE participation	5%

7. Outreach

Based upon prior experience, how would you design the most effective outreach program for the City of Los Angeles? How would you perform outreach to citizens of various ethnicities? Include methods of advertising and promoting, locations within the City and who you are targeting, e.g., professional trade groups, unions.

8. Fee

Submit a proposed detailed annual Program Administration Fee (Fee) including Program staffing, individual hourly billing rate, budgeted hours per month, estimated outside service costs (TPA, accountants, and others) and any additional costs such as travel, filing and letters. This Fee must reflect the total annual cost that your firm will be invoicing the City.

9. Evaluation Process and Criteria

Broker will be evaluated by a panel primarily on the basis of overall qualifications, experience and Program content. The City will also evaluate overall costs and compliance with City policies. The review criteria will include proposal quality and responsiveness; experience and capabilities of assigned staff; Broker experiences and resources; compliance with City policies; interview; and fees.

10. Responsiveness Criteria

To be considered responsive to this solicitation, proposers must submit complete responses to all items requested in this document, including completed responses to Appendices A – K: City Business Tax Registration Certificate or Vendor Registration Number, Insurance Instructions, Affirmative Action Program, Equal Benefits Ordinance, Slavery Disclosure Ordinance, Child Care Policies, Child Support Ordinance, Contractor Responsibility Ordinance, Affidavit of Non-Collusion compliance, Municipal Lobbying Ordinance, and Bidder Certification. Failure to include satisfactory responses to these items may result in the City rejecting such proposals as non-responsive.

11. Notice to Proposers Regarding the Public Records Act

All documents submitted in response to this solicitation are subject to public disclosure as permitted by the California Public Records Act. Specifically, responses to this solicitation become the exclusive property of the City of Los Angeles. At such time as the Office of the City Administrative Officer may recommend approval of a contract to the City Council, and such recommendation appears on the Council Agenda, all proposals submitted in response to the request for proposals become a matter of public record and shall be regarded as public records. Exceptions will be those elements in each proposal which are trade secrets as that term is defined in California Government Code Section 62543.7 and which are so marked as *Trade Secret*, *Confidential*, or *Proprietary*. The City shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked if disclosure is deemed to be required by law or by order of the Court. Proposers who indiscriminately and without justification identify all or most of their proposal as exempt from disclosure may be deemed unresponsive.

12. Term of Contract

The term of the contract will be for three (3) years beginning March 1, 2013.

13. Attachments

1. Standard Provision for Personal Services Contracts, revised 03/09
2. Form Gen. 146 IR (Insurance Requirements), revised 06/12

Attachment 1

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

Standard Provisions For City Contracts (03/09)

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

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

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the **CITY'S** option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

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

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

PSC-4. TIME OF EFFECTIVENESS

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

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

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

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

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The **CITY** may terminate this Contract for the **CITY'S** convenience at any time by giving **CONTRACTOR** thirty days written notice thereof. Upon receipt of said notice, **CONTRACTOR** shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to affect such termination. Thereafter, **CONTRACTOR** shall have no further claims against the **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon the date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the **CITY** may give **CONTRACTOR** written notice of such default. If **CONTRACTOR** does not cure such default or provide a plan to cure such default which is acceptable to the **CITY** within the time permitted by the **CITY**, then the **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then the **CITY** may immediately terminate this Contract.
3. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates the

CITY'S lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The CITY has the right to approve **CONTRACTOR'S** subcontractors, and the CITY reserves the right to request replacement of subcontractors. The CITY does not have any obligation to pay **CONTRACTOR'S** subcontractors, and nothing herein creates any privity between the CITY and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

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

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance hereunder and shall pay any fees required therefor. **CONTRACTOR** certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), against **CONTRACTOR'S** rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, **CONTRACTOR** represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, **CONTRACTOR** shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC-17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the **CITY**. These records shall be retained for a period of no less than three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized **CITY** personnel or by the **CITY'S** representative at any time during the term of this Contract or within the three years following final payment made by the **CITY** hereunder or the expiration date of this Contract, whichever occurs last. **CONTRACTOR** shall provide any reports requested by the **CITY** regarding performance of this Contract. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the **CITY** under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to **CITY** requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the **CITY**, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, **CONTRACTOR** undertakes and agrees to defend, indemnify and hold harmless the **CITY** and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by **CONTRACTOR** or its subcontractors of any tier. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the **CITY**, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the **CITY'S** actual or intended use of any Work Product furnished by **CONTRACTOR**, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the **CITY** under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the **CITY**. The provisions of PSC-21 shall survive expiration or termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, rights of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the **CITY** for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. **CONTRACTOR** hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by **CONTRACTOR** under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.

For all Work Products delivered to the **CITY** that are not originated or prepared by **CONTRACTOR** or its subcontractors of any tier under this Contract, **CONTRACTOR** hereby grants a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

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

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a **CITY** contract.

- H. Notwithstanding any other provisions of a **CITY** contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in **CITY** contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the **CITY**. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the **CITY** with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the **CITY'S** Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the **CITY** and may be used at the discretion of the **CITY** in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC-32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles’ Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922.”

PSC-36. SLAVERY DISCLOSURE ORDINANCE

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

Attachment 2

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

Required Insurance Limits (Form 146IR)

Required Insurance and Minimum Limits

Name: _____

Date: _____

Agreement/Reference: _____

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

___ **Workers' Compensation (WC) and Employer's Liability (EL)** _____

WC Statutory

EL _____

Waiver of Subrogation in favor of City

Longshore & Harbor Workers

Jones Act

___ **General Liability** _____

Products/Completed Operations

Sexual Misconduct _____

Fire Legal Liability _____

___ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work) _____

___ **Professional Liability** (Errors and Omissions) _____

Discovery Period _____

___ **Property Insurance** (to cover replacement cost of building - as determined by insurance company) _____

All Risk Coverage

Boiler and Machinery

Flood _____

Builder's Risk

Earthquake _____

___ **Pollution Liability** _____

___ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds** _____

___ **Crime Insurance** _____

Other: _____

Exhibit A

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

**BUSINESS TAX REGISTRATION CERTIFICATE
AND/OR
VENDOR REGISTRATION NUMBER**

City of Los Angeles



INFORMATION
BUSINESS AND
OTHER TAXES



Antoinette Christovale
Director of Finance

Administered by the
Office of Finance

January 2005

FOREWORD

The Office of Finance administers the City's tax laws, issues tax registration certificates and permits, and collects City taxes and fees. Most of the funds go into the City's General Fund to support essential services such as those provided by the Police and Fire Departments.

The Office of Finance is also an information resource for businesses and individuals relative to the City's tax and fee collection program. This booklet presents, in summary form, many of the City's current tax and fee requirements.

While the booklet is periodically updated, changes in tax laws and the various regulatory statutes may have occurred since its most recent printing. Changes in how the laws are applied may impact the obligation businesses and individuals have when conducting business within the City. The Office can assist you with more detailed information specifically tailored to the requirements of an individual business.

An additional resource for business assistance is the Mayor's Office of Economic Development. General information may be obtained by calling (800) 472-2278.

The goal of my Office is to provide service that is responsive to the needs of the diverse business community within the City. I encourage businesses to take advantage of the resources of my Office to help create and retain a strong and economically healthy business environment in the world's 12th largest economy.

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GENERAL INFORMATION NOTICE

This booklet provides basic information pertaining principally to the various business activities involving the payment of the Business Tax to the City of Los Angeles, Office of Finance.

Although some requirements of other governmental agencies are stated herein, the variations and complexities of various businesses are such that a complete disclosure of the requirements of all governmental agencies is impossible in booklet form. Therefore, the Office of Finance cannot accept responsibility for information not disclosed.

Due to the large number of various business activities described under Sections 21.53 to 21.197, inclusive, of the Business Tax Ordinance, it is not practical to list each separately.

To assist you in using this booklet, note the following general information:

- All sales of goods, wares or merchandise at wholesale, unless otherwise listed, are taxed under Section 21.166 of the Business Tax Ordinance.
- All sales of goods, wares or merchandise at retail, unless otherwise listed, are taxed under Section 21.167 of the Business Tax Ordinance.
- All contracting in connection with real property are taxed under Section 21.188 of the Business Tax Ordinance.
- All professions, trades, occupations, performed as an independent contractor and not as an employee of another, unless otherwise specifically listed, are taxed under Section 21.190 of the Business Tax Ordinance.

PURPOSE OF THE TAX

The City of Los Angeles Business Tax is a privilege tax imposed for revenue purposes only. No attempt is made through the business tax to regulate the conduct of businesses.

CONFIDENTIAL CHARACTER OF INFORMATION OBTAINED

The provisions of Section 21.17 of the Business Tax Ordinance, subject to certain exceptions, make it unlawful for the Office of Finance or any person having an administrative responsibility to make known in any manner whatever the business affairs, operations or information required of any person filing returns or paying taxes under the provisions of the Los Angeles Municipal Code.

WHO IS REQUIRED TO PAY THE TAX?

Every person ⁽¹⁾ who engages in any business ⁽²⁾ within the City of Los Angeles is required to obtain the necessary Tax Registration Certificate(s) and make payment of the business tax.

Certain organizations, which are conducted solely for charitable or religious purposes, may be entitled to receive tax-exempt registration certificates upon application and qualification. The payment of tax is not required for engaging in a business activity when such payment of tax would be in violation of the Constitution of the United States or the Constitution of the State of California. Please refer to Sections 21.02, 21.22 and 21.190 of the Business Tax Ordinance for more detailed information.

VENDOR REGISTRATION

There are vendors who conduct business with the City of Los Angeles in a manner that would not subject them to a business tax liability. An example is a publishing company in New York, which, as a result of a newspaper ad, accepts orders by telephone and ships the books by common carrier to the City of Los Angeles. After investigation and confirmation by the Office of Finance, Revenue Management Division, businesses that are not required to pay a business tax may be issued a Vendor Registration Number (VRN). The VRN accounts will be reviewed on an annual basis to determine if their business activities have changed in any manner that would reclassify them to a taxable status. Please call the Revenue Management Mail-In Unit at (213) 978-1521 for more detailed information.

BUSINESS REGULATION IN LOS ANGELES

The issuance of a Tax Registration Certificate and the payment of the business tax do not authorize the conduct or continuance of any illegal business or of a legal business in an illegal manner within the City of Los Angeles. The City has enacted regulatory ordinances in areas such as zoning, building safety, police, fire, hazardous material disclosure, sanitation, health, etc., which must be complied with in order to lawfully conduct a business within the City. Failure to comply with these regulatory ordinances may result in legal action being taken against the taxpayer.

(1) "Person" shall mean any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, partnership, joint venture, club, company, joint stock company, business trust, domestic or foreign corporation, association, syndicate, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit or otherwise.

(2) "Engaged in business" shall mean the conducting, operating, managing or carrying on of a business, whether done as owner, or by means of an officer, agent, manager, or employee. A person shall be deemed engaged in business within the City if 1) such person or his employee maintains a fixed place of business within the City for the benefit or partial benefit of such person, or 2) such person or his employee owns or leases real property within the City for business purposes, or 3) such person or his employee regularly maintains a stock of tangible personal property in the City for sale in the ordinary course of business, or 4) such person or his employee regularly conducts solicitation of business within the City, or 5) such person or his employee performs work or renders services in the City on a regular and continuous basis involving not less than seven working days per year for all such employees, or 6) such person or his employee utilizes the streets within the City in connection with the operation of motor vehicles for business purposes. The foregoing specified activities shall not be a limitation on the meaning of engaged in business.

Businesses requiring Police and/or Fire Permits may file an application with the Office of Finance, but the approval or denial will be made by the Police Department or the Fire Department. Please refer to pages 29 through 24 of this booklet for more detailed information.

The Zoning Section of the Department of Building and Safety determines whether a business may be conducted at a specific location.

Businesses such as restaurants and massage parlors are required to obtain health permits, which are administered by the County Health Department.

Many businesses are also subject to regulation by State agencies, such as the State Contractor's License Board and the Department of Consumer Affairs. Sellers of goods, wares and merchandise at wholesale and retail must obtain a State Seller's Permit issued by the State Board of Equalization.

LEGAL ACTION THAT MAY BE TAKEN FOR NON-COMPLIANCE WITH THE BUSINESS TAX ORDINANCE

Failure to obtain the required Tax Registration Certificate and pay all business taxes due is a misdemeanor unless the violation or failure is declared to be an infraction. Any violation that is designated as a misdemeanor, may be charged by the City Attorney as either a misdemeanor or an infraction. Violations designated as a misdemeanor shall be punishable by a fine of not more than \$1,000.00 or by imprisonment in the County Jail for a period of not more than six (6) months, or by both fine and imprisonment. Violations designated as an infraction shall be punishable by a fine of not more than \$250.00 for each violation.

Each person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this code is committed, continued or permitted by such person, and shall be punishable accordingly. Please refer to Section 11.00 (m) of the Los Angeles Municipal Code and Sections 21.03, 21.12, 21.16, 21.19, and 21.20 of the Business Tax Ordinance for complete information.

WHISTLEBLOWER PROGRAM

The Whistleblower Program provides rewards for information resulting in the recovery of business taxes. The amount of reward shall not exceed 10% of the additional taxes, interest and penalties, which are recovered as a result of the information provided. No reward shall be paid if the Director of Finance determines that the recovery was so small as to call for a reward of less than \$50.00. For more information, please contact one of the offices listed at the end of this booklet or visit our website at www.lacity.org/finance.

HOW TO APPLY FOR A BUSINESS TAX REGISTRATION CERTIFICATE

The taxpayer may appear in person at the Main Office or at any of the branch

offices listed at the end of this booklet. In many cases, except where Police Permits are required, the taxpayer may file an application by mail after obtaining instructions from the Office of Finance regarding the information, which must be submitted to establish an account. Applications can also be obtained from our website at www.lacity.org/finance.

The Office of Finance requires that the taxpayer provide the following:

- A. Full legal name of the business owner(s);
- B. Fictitious/doing business as (D.B.A.) name of the business, if any;
- C. Business address (no P.O. Boxes);
- D. Mailing address, if different from the business address;
- E. Business owner's Social Security Number (SSN) if the taxpayer is not required to report employment taxes or give tax statements to employees;
or
- F. Business owner's Federal Employer Identification Number (FEIN) if the taxpayer is required to report employment taxes or give tax statements to employees;
- G. Description of business activity (ies); and
- H. Start date of business activity (ies).

HOW IS THE AMOUNT OF TAX DETERMINED?

BUSINESS TAX

Most business taxes are based on gross receipts. For those Business Tax Classifications, the tax rate is a specified amount per \$1,000 of taxable gross receipts with a minimum amount due for each tax classification. Some business taxes are based on a flat rate per tax period and others are based on the number of vehicles, machines, devices or equipment used, the number of employees, square footage of the area, seating capacity, or the scale of fees collected.

PAYROLL EXPENSE TAX

Effective January 1, 2002, the Payroll Expense Tax has been repealed. The Payroll Expense Tax had been temporarily suspended from January 1, 2000 through December 31, 2001.

IS A SEPARATE REGISTRATION CERTIFICATE REQUIRED FOR EACH BUSINESS LOCATION?

Yes. Section 21.06, Article 1, of the Los Angeles Municipal Code requires a separate registration certificate for each type of business activity and for each business location in the City of Los Angeles. However, a warehouse or distributing plant used in conjunction with a business in the City is not regarded as a separate business location. The law provides for an exception when the business locations are outside the City of Los Angeles. In this instance, only one registration certificate is required for each type of business for all locations, which are outside the City.

CAN A REGISTRATION CERTIFICATE BE TRANSFERRED FROM ONE

OWNERSHIP TO ANOTHER?

Section 21.11, Article 1, of the Los Angeles Municipal Code states that a registration certificate may be transferred in those cases where the real or ultimate ownership of the business after the transfer is substantially similar to the ownership existing before the transfer. However, when the change in business ownership, such as by sale, is substantially different, an application would have to be made for a new Tax Registration Certificate.

CAN A REGISTRATION CERTIFICATE BE TRANSFERRED TO A NEW LOCATION?

Yes. Upon your notification to the Office of Finance that you have moved and are conducting your business at a new location, an amended Tax Registration Certificate will be issued to you.

WHEN MUST BUSINESS TAXES BE PAID?

NEWLY ESTABLISHED BUSINESS

For a newly established business, only a minimum tax is due on or before the start of business and should be paid at the time of application. An additional tax may be due at the end of the tax period if the gross receipts generated during the first period of operations exceeded the amount of gross receipts covered by the minimum tax previously paid.

NEW BUSINESS EXEMPTION

Businesses that establish a new fixed location within the City and are not owned in whole or in part by a person that was engaged in business in the City in the preceding tax year can qualify for a new business exemption (under Section 21.30 of the Los Angeles Municipal Code) for up to the first two years of operation. A qualifying new business will not be required to pay the applicable minimum tax or any additional business tax up to the first two years of operation if its taxable gross receipts are less than \$500,000 per year. This tax exemption **does not include the following:**

- 1) Construction businesses as defined in Section 21.30 b.1 of the L.A.M.C.;
- 2) Film producers as defined in Section 21.109 of the L.A.M.C.;
- 3) Any business, which was engaged in business in the City of Los Angeles during the preceding tax year and is engaged in business in the City during the current tax year.

Please note: Filing must be made in a timely manner in order to qualify for this exemption.

SMALL BUSINESS EXEMPTION

Effective January 1, 2001, a small business with \$5,000.00 or less of taxable and nontaxable gross receipts within and out of the City, may qualify for a Small Business Exemption. For further information on this exemption and requirements to qualify, contact one of the offices listed at the end of this

booklet.

ESTABLISHED BUSINESS

Businesses currently holding a valid Tax Registration Certificate will receive renewal statement(s) prior to the next tax period. If a renewal statement is not received in the mail, a timely return must still be filed to avoid payment of interest and penalty.

Due Dates for the following tax periods are:

A. ANNUAL BUSINESS TAXES

Due January 1 of each year. Delinquent if not paid before March 1.

B. QUARTERLY BUSINESS TAXES

These are due on January 1, April 1, July 1 and October 1 of each year. In each case, delinquent if not paid before February 1, May 1, August 1 and November 1.

C. MONTHLY BUSINESS TAXES

These are due on the first day of each month and delinquent if not paid before the first day of the following month, with the exception of the Parking Occupancy Taxes and Transient Occupancy Taxes. Parking Occupancy Taxes and Transient Occupancy Taxes are due on or before the 25th day of the month following the close of each calendar month.

D. DAILY BUSINESS TAXES

These are due on each day of the activity and delinquent the following day.

FISCAL YEAR FILING

Effective January 1, 2000, taxpayers are given an option to report their tax measures based on their business' fiscal or calendar year.

SINGLE PRIMARY TAX CLASSIFICATION ELECTION

Effective January 1, 2004, a taxpayer with multiple classifications whose rates are based on annual gross receipts, may elect to have all of the business' taxable annual gross receipts reported and taxed at the rate applicable to the activity constituting at least 80% of the entire annual gross receipts, after any apportionments. Any business activities taxed other than on the basis of annual gross receipts must continue to be reported separately.

INTERCOMPANY TRANSFERS

That portion of a business' gross receipts attributable to amounts received from or charged to closely held or related companies is now exempt from business tax. Ownership interests in the related or closely held companies must be at least 80% in common in terms of both value and voting power.

REPORTING ON A CASH OR ACCRUAL BASIS (DEDUCTIONS FOR BAD DEBTS)

Effective January 1, 2005, gross receipts may now be reported on either a

cash or an accrual basis in accordance with Internal Revenue Service (IRS) guidelines. If reporting on an accrual basis (amounts billed), you may exclude from your reported gross receipts any uncollectible amount ("bad debt") apportioned to the City of Los Angeles that has been written off as a "bad debt" in compliance with IRS guidelines. However, any portion of "bad debt" that had been previously written off and is later collected, is to be reported as gross receipts in the year it is collected.

BUSINESS SOLD OR DISCONTINUED

If a business is discontinued or dissolved before the end of a tax period, any taxes accrued or owing shall be due on the date of termination. Taxes due are delinquent if not paid within forty-five (45) days⁽³⁾ from the date of termination.

TAXATION OF MOST COMMON AND TYPICAL TYPES OF BUSINESS ACTIVITIES

While there are many different business activities taxed at varying rates, emphasis will be given to the following classifications. Please call or visit any of the Office of Finance public offices listed at the end of this booklet for additional information.

RETAIL SALES

Section 21.167 of the Business Tax Ordinance defines retail sales as the selling of any goods, wares or merchandise for any purpose other than resale. Common examples would be grocery stores, drug stores, hardware stores, clothing stores, restaurants, etc.

TAX RATE: \$110.86 for the first \$75,000 or less of gross receipts plus \$1.48 per \$1,000 or fractional part thereof in excess of \$75,000.

WHOLESALE SALES

Section 21.166 of the Business Tax Ordinance defines wholesale sales as the selling of goods, wares or merchandise for the purpose of resale. An example would be a wholesale grocer selling goods to a grocery store.

TAX RATE: \$118.25 for the first \$100,000 or less of gross receipts plus \$1.18 per \$1,000 or fractional part thereof in excess of \$100,000.

Sellers who are engaged in both retail sales and wholesale sales are subject to both types of taxes. In these instances, it will be necessary to segregate the sales and pay a business tax for each classification.

Receipts, which may be excluded from Retail and Wholesale Business Taxes, are the following:

A. Out-of-State sales, which are shipped by the seller directly to the purchaser

(3) For every person engaged in the business of developing and selling property in which said person(s) has equity or title, all taxes must be paid and the account closed on or before the last day of the month following the month in which discontinuance or termination occurred.

to points outside the State of California.

- B. State or local sales and use taxes.
- C. Returned merchandise where cash or credit is allowed.
- D. Cash discounts allowed or taken.

Retailers and wholesalers may be entitled to an apportionment of their gross receipts if they are located in the City of Los Angeles and engage in sales activities both inside and outside the City (City Clerk's Ruling No. 14); or if they are located outside the City of Los Angeles and engage in sales activities within the City (City Clerk's Ruling No. 13).

SELLING, SOLICITING ON STREETS OR SIDEWALKS

Selling any goods, wares or merchandise on public streets and sidewalks on foot or using a pack, stand or pushcart is illegal. It is also illegal to sell in vacant lots, auto service stations or any other private property (abandoned or not) without the approval of the Department of Building and Safety. The telephone number is (213) 482-0000.

Persons operating food-catering vehicles may sell, provided that all of the following conditions are met:

- A. The vehicle must be registered with the State Department of Motor Vehicles.
- B. The vehicle must be approved by the County Health Department. The telephone number is (626) 430-5500.
- C. The food sold must be prepared and packaged ready for immediate human consumption.
- D. When stopping or parking on public streets, all signs must be obeyed. Certain stopping or parking restrictions must also be complied with.
- E. Only temporary stops on private property route locations may be made.

Note: Catering bicycles or tricycles (human powered) such as those used to vend ice cream, tamales, candy, etc. are illegal upon City streets.

PROFESSIONS AND OCCUPATIONS BUSINESSES

Section 21.190 of the Business Tax Ordinance covers any service activities that are not described as "Miscellaneous Services," as well as all other business activities not specifically taxed by other sections of the Business Tax Ordinance. Some examples are attorneys, dentists, barbers, auto mechanics, etc.

Tax Rate: \$106.43 for the first \$18,000 or less of gross receipts plus \$5.91 for each additional \$1,000 or fractional part thereof in excess of \$18,000.

Persons engaged in more than one trade, calling, occupation, vocation, profession or other means of livelihood covered within this section shall consolidate all gross receipts and shall be issued one Tax Registration Certificate covering all such service activities.

Persons who are in the business of providing services may be entitled to an apportionment of gross receipts derived from activities conducted both inside and outside the City of Los Angeles (City Clerk's Ruling No. 15).

CAN A PERSON IN A SELLING BUSINESS ALSO BE SUBJECT TO THE PROFESSIONS AND OCCUPATIONS TAX?

Yes. Many selling businesses also perform services or repairs. Common examples would be automobile dealers, television sales and services, gas stations, etc. In these cases, it is necessary to segregate the sales and services and pay a business tax for each business activity.

HEALTH MAINTENANCE ORGANIZATION

Section 21.191 of the Business Tax Ordinance became effective June 19, 1998 and operative as if in effect on January 1, 1998. This new business tax classification covers persons who are engaged in business as a Health Maintenance Organization. A Health Maintenance Organization is defined as any person who undertakes to arrange for the provision of health care services to subscribers or enrollees, or to pay for or to reimburse any part of the cost for those services, in return for a prepaid or periodic charge paid by or on behalf of the subscribers or enrollees.

Tax Rate: \$106.43 for the first \$18,000 or less of gross receipts plus \$5.91 per \$1,000 or fractional part thereof in excess of \$18,000.

INDEPENDENT TELEMARKETING AGENCY

Section 21.80 of the Business Tax Ordinance became operative January 1, 1997. It created a separate business tax classification for persons engaged in the business of marketing services or goods, wares or merchandise on behalf of three (3) or more clients continuously, none of which has any ownership interest in said person, by use of a telecommunications device at a call center⁽⁴⁾. Independent Telemarketing Agencies were formerly taxed under Sections 21.79 (Commission Brokers) and/or 21.190 (Professions and Occupations).

Tax Rate: \$91.64 for the first \$25,000 or less of gross receipts plus \$3.67 per \$1000 or fractional part thereof in excess of \$25,000.

MULTIMEDIA BUSINESSES

Section 21.189.4 of the Business Tax Ordinance became operative January 1,

(4) "Call Center" shall mean a location in which 25 or more persons are continuously employed or utilized to make and/or receive telephone calls by means of a centralized telecommunications system.

1997. It created a separate business tax classification for multimedia businesses, which were previously classified under Section 21.190 (Professions and Occupations). A "Multimedia Business" shall mean a business that: 1. Produces films, disks, tapes, software or other recording devices, whether visual or audio, through the integration of two or more media, which media include, without limitation, computer generated graphics and video, film, slides, video tapes, audio tapes and photographs; or 2. Provides computer programming services on a contract or fee basis to the person defined in subsection 1 of this section, such services to include computer software design and analysis, modification of custom software, digital imaging and other related programming services; or 3. Develops online and internet services, including the design of WEB sites, for clients. The activities of a motion picture, television or radio producer, as defined in Section 21.109 of the Business Tax Ordinance, radio or television broadcaster, as defined in Section 21.189.2 of the Business Tax Ordinance, and an adult entertainment business, as defined in Section 12.70B of the LAMC shall not be subject to tax under this section.

Tax Rate: \$118.25 for the first \$100,000 or less of gross receipts plus \$1.18 per \$1,000 or fractional part thereof in excess of \$100,000.

CHILD CARE PROVIDERS

Section 21.189.3 of the Business Tax Ordinance defines child care as providing non-medical care for children under 18 years of age in need of personal services, supervision or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis.

Tax Rate: \$23.65 for the first \$20,000 or less of gross receipts plus \$1.18 for each additional \$1,000 or fractional part thereof in excess of \$20,000.

MISCELLANEOUS SERVICES

Section 21.189.1 of the Business Tax Ordinance covers persons engaged in the business of: advertising agency, aircraft support contractor, apparel subcontractor, bookbinder, check cashing service, drapery subcontractor, heat treater, mailing service, metal plater, music teacher, public relations agency, refuse contractor, shoe shining stand or parlor operator, silk screen apparel subcontractor, temporary help agency, ticket sellers, travel agency, typesetter or wire terminator.

Tax Rate: \$49.67 for the first \$12,000 or less of gross receipts plus \$4.14 per \$1,000 or fractional part thereof in excess of \$12,000.

RENTAL OF DWELLING UNITS

Section 21.99 of the Business Tax Ordinance covers persons who are

engaged in the business of conducting or operating a hotel, rooming house, apartment house, or other dwelling units.

Tax Rate: \$110.86 for the first \$75,000 or less of gross receipts plus \$1.48 per \$1,000 or fractional part thereof in excess of \$75,000.

A Tax Registration Certificate is required for persons having four (4) or more dwelling units in the City. However, gross receipts from all in-city locations can be combined under one Tax Registration Certificate. Whenever the gross rental income from all locations in the City is less than \$20,000 per calendar year, a Tax Registration Certificate is not required or a tax is not due.

RENTAL OF COMMERCIAL PROPERTY

Section 21.98 of the Business Tax Ordinance covers persons who are engaged in the business of renting or letting a building to tenants for purposes other than dwelling.

Tax Rate: \$110.86 for the first \$75,000 or less of gross receipts plus \$1.48 per \$1,000 or fractional part thereof in excess of \$75,000.

Only one Tax Registration Certificate is required from persons having more than one commercial property in the City but the gross receipts from all of these locations should be reported in the measure of tax.

This tax does not apply to persons who operate storage warehouses or indoor auto parking as they are subject to a business tax for the conduct of their businesses under ordinance Sections 21.141 and 21.56, respectively. Please refer to Section 21.98 of the Business Tax Ordinance for a complete list of exemptions.

CONTRACTOR

Section 21.188 of the Business Tax Ordinance covers persons engaged in the business of constructing, altering, repairing, or demolishing any building, highway, road or other structure.

Tax Rate: \$177.38 for the first \$60,000 or less of gross receipts plus \$1.18 per \$1,000 or fractional part thereof in excess of \$60,000. In-City Contractor pays an additional \$2.96 per \$1,000 or fraction of all salaries and fees paid for services rendered in the City in connection with out-of-city projects.

Depending on whether the contractor has a fixed place of business inside or outside the City, the following methods are used to compute the contractor's tax base:

- A. Established place of business located **outside** the City:
 Gross receipts consist of the total amount of contracts from projects performed within the City without any deduction for subcontracts performed by others. Subcontractors are also subject to this tax. No tax payment is required for out-of-city contractors who have zero gross receipts in the city.
- B. Established place of business located **inside** the City:
 Gross receipts from jobs or projects performed **both** inside and outside the City are reported as follows (City Clerk's Ruling No. 2):
1. Gross receipts from the total amount of contracts from projects performed in the City without any deduction for subcontracts performed by others,
- PLUS**
2. An apportionment of the total wages, salaries and fees paid to employees and consultants for services rendered in the City in connection with projects located outside the City. The apportionment rate is based on the ratio of gross receipts from projects outside the City to total gross receipts from all business activities.

Note: When there are no projects outside the City, only gross receipts from projects in the city are reported.

COMMISSION MERCHANT OR BROKER

Section 21.79 of the Business Tax Ordinance defines commission merchant or broker as a person who brings buyers and sellers of goods, wares or merchandise together, while serving in the capacity of an independent contractor and not as an employee of another.

Tax Rate: \$91.64 for the first \$25,000 or less of gross receipts plus \$3.67 per \$1,000 or fractional part thereof in excess of \$25,000.

Commission merchants or brokers may be entitled to an apportionment of gross receipts if they are located inside the City but have substantial activities outside the City or if they are located outside the City but have business activities inside the City (City Clerk's Ruling 3 defines a commission merchant or broker. See City Clerk's Ruling 15 for apportionment).

LAUNDRY, CLEANING AND DYEING AGENT, COLLECTOR, LINEN SUPPLY AND SHOE REPAIR

Section 21.102 of the Business Tax Ordinance covers persons engaged in the business of washing, drying, cleaning, dyeing or pressing any clothing, or similar article of personal property, whether accomplished by hand, machine or any coin-operated machine operated by such person, his employee or any customer, or furnishing or letting the use of any towels, linens, aprons,

bedding, napkins, table covers, or any other article of personal property of a similar nature, or collecting or delivering any such article as an agency or otherwise, for a fee or charge or repairing or rebuilding shoes.

Tax Rate: \$110.86 for the first \$75,000 or less of gross receipts plus \$1.48 per \$1,000 or fractional part thereof in excess of \$75,000.

Persons who also engage in retail sales and perform minor alterations or repairs to the garments of the customers at the same location need not obtain separate Tax Registration Certificates, provided that the combined gross receipts are reported under the one certificate.

PERSONAL PROPERTY RENTAL

Section 21.192 of the Business Tax Ordinance covers every person engaged in the business of leasing or renting any tangible personal property ⁽⁶⁾, and not specifically taxed by other provisions of this article.

Tax Rate: \$177.38 for the first \$60,000 or less of gross receipts plus \$2.96 per \$1,000 or fractional part thereof in excess of \$60,000.

It is not required to include the gross receipts for the leasing or renting of tangible personal property when the entire use is made wholly outside the State of California.

Persons engaged in the business of renting personal property may be entitled to an apportionment of gross receipts derived from rental activities carried on both inside and outside the City (City Clerk's Ruling No. 17).

AUTO PARKS

Section 21.56 of the Business Tax Ordinance covers every person engaged in the business of conducting any automobile parking place, storage lot or storage place where motor vehicles are parked or stored, and a charge made directly or indirectly for such parking or storage.

Tax Rate: \$177.38 for the first \$30,000 or less of gross receipts plus \$5.91 per \$1,000 or fractional part thereof in excess of \$30,000.

OTHER TYPES OF BUSINESSES

Other types of businesses on which different tax rates apply include, but are not limited to, the following:

Amusement Park

⁵ "Tangible Personal Property" shall mean personal property which may be seen, weighed, measured, felt or touched, or which is in any other manner perceptible to the senses.

Auctioneer
 Baseball, Football, (Sporting Events, etc.)
 Billiards, etc.
 Bowling Alleys, Skee-ball, Shuffleboard, etc.
 Coin-operated Amusement Machines
 Coin-operated Phonographs and Music Machines
 Coin-operated Scales and Service Machines
 Christmas Tree Sales
 Circus
 Collection Agency
 Dance Hall
 Lending Money
 Miscellaneous Trucking (Business located outside the City)
 Motion Picture, Television and Radio Producers
 Oil Well Production (**Repealed effective 01-01-96. Now taxed under Wholesale and/or Retail Sales.**)
 Side Show, Carnival, Circus Parade
 Storage, Freight Forwarding, Steamship Agency, Custom House Broker
 Theater, Motion Picture/Live
 Transporting Persons for Hire
 Vending Machines/Routes

If you are engaged in one of the foregoing businesses, it is suggested that you contact one of the Office of Finance offices listed at the end of this booklet.

TAXPAYER ADVOCATE

The Taxpayer Advocate program was designed to provide personal assistance to taxpayers who have complex business tax problems. The Taxpayer Advocate will be dedicated to researching and resolving issues and complaints from taxpayers. The Taxpayer Advocate may be contacted by:

- FAX (213) 978-1549
Attn: Taxpayer Advocate
- E-Mail advocate@finance.lacity.org
- U.S. Mail Office of Finance, Tax and Permit Division
200 North Spring Street, Room 101
Los Angeles, CA 90012
Attention: Taxpayer Advocate
- Referral You may be referred to the Taxpayer Advocate by any Office of Finance employee.

If you are requesting assistance through Fax, E-mail or U.S. Mail, please include your name, account number, a brief description of your problem and a daytime telephone number.

CITY CLERK RULINGS

Section 21.15 (h) of the Los Angeles Municipal Code gives the Director of Finance the authority to adopt and promulgate rules and regulations pertaining to the collection of the Los Angeles Business Tax and the enforcement of the provisions of the Business Tax Ordinance (Article 1, Chapter 2 of the Los Angeles Municipal Code). The following is general information that applies to specific activities. For additional information or a copy of any City Clerk's Ruling, please contact one of the Office of Finance offices listed at the end of this booklet.

CITY CLERK'S RULING NO. 13 (PERSONS SELLING GOODS, WARES AND MERCHANDISE IN LOS ANGELES, WITH NO FIXED PLACE OF BUSINESS IN LOS ANGELES)

Business Tax Classification Reference:

Sections 21.166 and 21.167 of the Los Angeles Municipal Code:

A person who does not own, lease, occupy or otherwise maintain within the City of Los Angeles a place or premises upon which or from which such person engages in business, shall nevertheless be deemed to be engaged in business within the City of Los Angeles when, through the physical presence of such person, such person's employees, such person's agents, or such person's equipment, such person carries on activities within the City of Los Angeles which are designed to solicit, promote, stimulate, or otherwise encourage the sale of goods, wares, or merchandise.

The measure of tax for such person shall be:

- (a) 35% of those gross receipts from all sales to customers located within the City of Los Angeles, where delivery or shipment is made to points within the City by vehicles operated by the taxpayer.
- (b) 30% of those gross receipts from all sales to customers located within the City of Los Angeles where delivery or shipment is made to points within the City by means other than vehicles operated by the taxpayer regardless of the f.o.b. point or other conditions of sale.
- (c) 30% of those gross receipts from all sales to customers located within the City of Los Angeles where delivery or shipment is made to points outside the City.

CITY CLERK'S RULING NO.14 (PERSONS SELLING GOODS, WARES, AND MERCHANDISE, WHO HAVE A FIXED PLACE OF BUSINESS IN LOS ANGELES)

Business Tax Classification Reference:

Sections 21.166 and 21.167 of the Los Angeles Municipal Code

A person who owns, leases, occupies or otherwise maintains within the City a place or premises upon which, or from which the person engages in the business of selling goods, wares, and merchandise in the City and whose gross receipts from such sales are attributable to business activities carried on within the City and activities carried on outside the City, may apportion such gross receipts and include in the measure of tax those gross receipts directly attributable to activities carried on within the City.

In making a calculation of gross receipts to be reported as the measure of tax, the person may deduct from 100% of gross receipts the percentage of gross receipts deemed to be directly attributable to selling activities carried on by such person outside the City of Los Angeles. For the purposes of this calculation, the person may deduct, to the extent appropriate, but in no case in an amount greater than, the following percentages of those sales, or particular categories of sales, on which the corresponding elements of the selling process are performed at a place or location outside the City:

1. Up to 30% for the location where the sale is negotiated or solicited by the taxpayer, through the physical presence of the taxpayer or the taxpayer's employees.
2. Up to 20% for the sales office which serves as the base of operations for sales activities, or if there is no sales office which serves as a base of operations, the office from which the sales activities are directed or controlled.
3. Up to 10% for the location where orders or contracts are accepted or approved. Such acceptance or approval shall be deemed to take place at the location of the office specified, in item 2 above, unless there is clear and conclusive evidence that a binding acceptance or approval occurs elsewhere.
4. Up to 20% for any facility, operated by the taxpayer, where the goods, wares or merchandise are stored immediately prior to shipment or delivery.
5. Up to 5% for the location, which gives the order for, or arranges for, the shipment or delivery of articles sold.
6. Up to 5% for the place where billing procedures are performed.
7. Up to 5% for the place where the collecting of receipts is performed.
8. Up to 5% for the place to which merchandise is delivered by vehicles operated by the taxpayer.

CITY CLERK'S RULING NO. 15 (GROSS RECEIPTS ATTRIBUTABLE TO BUSINESS ENGAGED IN WITHIN THE CITY)

Business Tax Classification Reference:

Section 21.190

It is the ruling of the City Clerk that any person engaging in a business subject to tax under Section 21.190 of the L.A.M.C shall include in the measure of tax the total gross receipts from work performed within the City; and in addition thereto, if such person owns, leases, occupies or otherwise maintains within the City a place or premises from which such person engages in business activities outside the City, such person shall include a portion of the gross receipts from work performed outside the City in the measure of tax. In the absence of substantial information, 20% of gross receipts from work performed outside the City shall be deemed to be that portion subject to tax as attributable to business engaged in within the City.

OTHER CITY CLERK RULINGS (Not otherwise included in this material)

City Clerk's Ruling No. 2 (Contractors) See page 16-17

City Clerk's Ruling No. 3 (Commission Merchants, Commission Brokers, Commission Agents Dealing in Tangible Personal Property)

City Clerk's Ruling No. 7 (Application of Business Tax Ordinance to Social Clubs, Automobile Clubs, Golf and Country Clubs, Employees' Associations, etc.)

City Clerk's Ruling No. 8 (Discounts, Allowances, etc.)

City Clerk's Ruling No. 10 (Employee Retention, Demonstration and Display of Goods, Wares or Merchandise)

City Clerk's Ruling No. 11 (Federal Taxes)

City Clerk's Ruling No.17 (Persons Leasing or Renting Tangible Personal Property)

City Clerk's Ruling No.18 (Senior Citizen Exemption – Utility Users Tax: Claims for Refund)

City Clerk's Ruling No.19 (Retailers Earning Finance and Other Charges on Deferred Payment Accounts)

BUSINESS TAX ECONOMIC INCENTIVE AREA – CITY BUSINESS TAX EXEMPTIONS AND DECREASES

Effective January 1, 1999, qualified businesses may be subject to additional business tax incentives consisting of business tax reductions or additional

business tax relief. For further information, please call one of the offices listed at the end of this booklet.

ENTERTAINMENT AND MULTIMEDIA BUSINESS TAX LIMITATIONS

Section 21.27 of the Business Tax Ordinance became effective January 1, 1996 (operative 01-01-97) and applies to businesses located in either the Hollywood Redevelopment or the North Hollywood Redevelopment Areas that generate more than 50% of gross receipts from the entertainment and/or multimedia business activities. For a definition of Multimedia or Entertainment Business, call one of the offices listed at the end of this booklet.

CITY OF LOS ANGELES BUSINESS TAX INCENTIVE AREAS have been approved by the City Council to provide business tax incentives for businesses located in certain areas of the City. Because the boundaries are specifically defined in the applicable Ordinances, please obtain a copy of the Ordinances and/or phone one of the offices listed at the end of this booklet to determine whether or not your business is located within a tax incentive area; in particular, if your business is located in South Central Los Angeles, Watts, Boyle Heights, Eastern Section of Downtown Los Angeles, Pacoima, Hollywood or North Hollywood.

OTHER TAXES, FEES AND CHARGES

COMMERCIAL TENANT'S OCCUPANCY TAX

(When the Landlord is exempted from Payment of Business Tax for Rental of Commercial Premises)

Article 1.3, Chapter 2, of the Los Angeles Municipal Code imposes an excise tax upon every tenant renting a building or structure of any kind on land located in the City of Los Angeles for purposes other than dwelling, sleeping or lodging, or renting space. The tax which is \$1.48 per \$1,000 or less of charges attributable to each calendar quarter shall be collected from the tenant by the landlord or owner and shall be remitted to the Office of Finance on or before the last day of the month following the close of each calendar quarter.

TRANSIENT OCCUPANCY TAX

Article 1.7, Chapter 2, of the Los Angeles Municipal Code imposes a tax on each transient for the privilege of occupancy in any hotel. The tax imposed shall be at a percentage rate of the rent charged by the hotel owner and/or operator and shall be remitted to the Office of Finance, effective January 1, 2005, on a monthly basis, due on or before the 25th day of the month following the close of each calendar month.

A transient is defined as:

- A. Any person, other than an individual, who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for any period of time, or
- B. Any individual who personally exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement, for a period of 30 consecutive calendar days or less.

Exempted from the tax are rentals to:

- A. Any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the tax herein provided;
- B. Any Federal or State of California officer or employee while on official business, including an employee of a federal credit union who provides proof of being on Federal or State official business;
- C. Any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty;
- D. Any person to whom rent is charged at the rate of \$2.00 per day or less;
- E. Any person as to whom, or any occupancy as to which, rent is paid from funds administered by the Emergency Food and Shelter National Board Program.

No exemption shall be granted under items A, B, or C of the listed exemptions unless a claim is made at the time rent is collected upon a certificate distributed by the Office of Finance.

UTILITY USERS' TAX

Article 1.1, Chapter 2, of the Los Angeles Municipal Code imposes a tax on telephone, electricity and gas users within the City. The tax imposed shall be at a percentage rate of the charges made for such services and shall be included in the billings of the individual utility companies which are responsible for remitting these taxes to the Office of Finance on a monthly basis.

Exemptions from payment of utility users' taxes are available to households where the combined income of all residents is less than an annual minimum amount determined by the Federal Department of Housing and Urban Development and either of the following conditions exists:

- A. At least one resident is 62 years of age or older,

Or

- B. At least one resident is disabled to the extent that he or she is unable to engage in any substantially gainful activity.

For detailed information regarding exemption from payment of utility users' taxes, contact the Utility Tax Exemption Unit at (213) 978-3050.

PARKING OCCUPANCY TAX

Article 1.15, Chapter 2, of the Los Angeles Municipal Code imposes a tax for the privilege of occupying space in any parking facility in the City of Los Angeles. The tax imposed on each occupant shall be at a percentage rate of the parking fee paid to the parking facility owner and/or operator who is responsible for remitting these taxes to the Office of Finance, effective December 1, 2004, on a monthly basis, due on or before the 25th day of the month following the close of each calendar month.

Certain persons may qualify for exemption from the Parking Occupancy Tax. Information and applications may be obtained by calling the Utility Tax Exemption Unit at (213) 978-3050.

SEWER SERVICE CHARGE

Article 4.1, Chapter 6, of the Los Angeles Municipal Code imposes a sewer service charge for receiving, transportation, pumping, treatment and/or disposal of sewage through the City's sewer system. The sewer service charge shall be at a percentage rate for each 100 cubic feet of water supplied to the premises and shall be paid by the user through the water billings of the Department of Water and Power. Special formula billings are handled directly by the Office of Finance.

SANITATION EQUIPMENT CHARGE

Article 6.1, Chapter 6, of the Los Angeles Municipal Code imposes a charge for the collection and the disposal of household refuse for single family dwelling units and multiple dwelling units to fund the replacement of needed sanitation equipment. The specific charge for each dwelling unit will be made through the electric billings of the Department of Water and Power. The Office of Finance will bill those units not serviced by that Department. Persons qualifying for an exemption from the utility users' taxes also qualify for an exemption from this charge.

POLICE PERMITS

Various types of business activities are regulated through the Police Department by means of Police Commission Permits. Although the applications are processed and the fees are collected by the Office of Finance, the Police Department has the regulatory responsibility and powers in these areas. Police Permits have to be renewed annually.

Each Police Permit application, except those for burglar alarms, is investigated as to any criminal background of the applicant(s); that the

business is being conducted in the proper zone; and, where applicable, that nearby residents and business people are notified of a public hearing at which they may voice their approval or disapproval of the activities of some of the intended businesses. Conditional use permit provisions apply to various Police Permits.

Police Permits are required for all premises (residential and commercial) having burglar alarms. Alarm permittees are billed by the Office of Finance for each false alarm in excess of two during a continuous 12-month period.

Following is a list of those Police Permits where application is made through the Office of Finance:

Alarm (burglar) on Premises

Antique Shop

Antique Show/Collector's Exchange Show-promoter

Arcade (game) or Arcade (picture)

Auto Park

Bath Business (public)

Bowling Alley

Café – Entertainment/Shows

Card Club or School (except duplicate bridge)

Carnival

Dance Hall

Dance, One Night (public/teenage)

Dancing Academy or Club

Escort or Escort Bureau

Family Billiard Room

Figure Studio

Firearms/Ammunition (Effective 11-23-97, employees of persons who sell ammunition are required to obtain this police permit.)

Firefighters Organization

Firefighters Organization – Promoter or Solicitor

Game, Skill/Science (if prizes are awarded)

Hostess Dance Hall

Junk Collector or Dealer

Key Duplicator

Massage Business or Therapist

Motion Picture Show

Parade

Pawn Broker

Peace Officer Organization – Promoter or Solicitor

Pool Room

*Private Patrol Service

Rides (mechanical)

Rummage Sale

Sale – Closeout Removal/Fire

Secondhand – Auto Parts

Secondhand – Books/Magazines

Secondhand – General

Secondhand – Jewelry

Sellers of Firearms

Shooting Gallery

Skating Rink

*Street Patrol Officer

Swap Meet Operator

*Permit no longer required; however, registration is needed.

FIRE PERMITS

Many types of business operations also require a Fire Permit. Payments for certain Fire Permits are made to the Office of Finance and the inspection and regulation is the responsibility of the Fire Department's Fire Prevention Bureau. These permits and inspections are necessary to ensure the general safety of the public. Following is a list of only those activities requiring Fire Permits where application is made through the Office of Finance:

Aircraft Fueling Station

Aircraft Refueler (Truck)

Airport Fueling System

Airport, Private

Assemblage Occupancy

Auto Fueling Station (with aboveground tank)

Bulk Distributing Station

Central Station Signaling System

Church (Original Fee Only)

Community Care Facility

Cylinder Filling Plant

Day Care Occupancy

Dry Cleaning Plant

Heliport

Hotel or Apartment Hotel

Laboratory

Marine Oil Terminal

Marine Service Station

Natural Gasoline Plant

Oil Well

Refinery

Sanitarium

School

Service Center for Armed Forces Personnel
(Original Fee Only)

Special School

Theater

Theater, Little

Theater, Motion Picture

For more detailed information regarding Police and Fire Permits, you may contact any of the Office of Finance offices listed at the end of this booklet.

HAZARDOUS MATERIAL AND UNDERGROUND TANK CERTIFICATES

If you handle or intend to handle a hazardous substance and/or have an underground tank(s) at your business, please contact the Fire Department at:

**Los Angeles Fire Department
Data Management Unit (Haz Mat)
City Hall East
200 N. Main St. Room 970
Los Angeles, Ca. 90012
(213) 485-8080**

**Los Angeles Fire Department
Underground (Storage) Tanks
200 N. Main St., 9th Floor, Room 930
Los Angeles, CA 90012
(213) 485-7543**

**OFFICE OF FINANCE
CITY HALL (Main Office)
200 N. SPRING ST. (use Main St. entrance)
RM 101
LOS ANGELES, CA 90012
(213) 473-5901
Hours: 8:00 A.M. - 5:00 P.M.
Monday thru Friday**

BRANCH OFFICES

HOURS

Hollywood Branch Office
6501 Fountain Ave.
Phone: (213) 485-3935

Mon. thru Fri.
8 AM - 5PM

San Pedro Municipal Building
638 S. Beacon St. Rm. 211
Phone (310) 732-4537

Mon.-Wed.-Fri.
7:30 AM-12 PM
1 PM - 4:30 PM

Van Nuys Civic Center
6262 Van Nuys Blvd., Suite 110
Phone (818) 374-6850

Mon. Thru Fri.
8 AM - 5 PM

West Los Angeles
1828 Sawtelle Blvd., Rm 102
Phone (310) 575-8888

Mon. Thru Fri.
8 AM - 5 PM

Westchester Municipal Building
7166 W. Manchester Ave., Rm. 9
Phone (213) 473-6750

Tues. & Thur.
8 AM - 12 PM
1 PM - 4:30 PM

Watts Civic Center
10221 Compton Ave., Rm 202
Phone (213) 473-5109

Tues. & Thur.
1 PM - 4:30 PM

Figueroa Plaza Bldg. One Stop
201 N. Figueroa St.
3rd Floor Counter 24A
Phone (213) 482-7032

Mon/Tue/Thu/Fri
7:30 AM - 4:30 PM
Wed. 9 AM - 4:30 PM

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities.

Exhibit B

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

INSURANCE INSTRUCTIONS

CITY OF LOS ANGELES

**INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS**

(Share this information with your insurance agent or broker.)

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the preferred method of submitting your documents. **Track4LA™** is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format. Track4LA™ advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 may be accepted. **All** Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter.

Acceptable Alternatives to **Acord Certificates and other Insurance Certificates:**

- A **copy of the full insurance policy** which contains a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) and additional insured and/or loss-payee status, when appropriate, for the CITY.
- **Binders and Cover Notes** are also acceptable as interim evidence for up to 90 days from date of approval.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Completed **Insurance Industry Certificates other than ACORD 25 Certificates** can be sent electronically (CAO.insurance.bonds@lacity.org) or faxed to the Office of the City Administrative Officer, Risk Management (213) 978-7616. **Please note that submissions other than through**

Track4LA™ will delay the insurance approval process as documents will have to be manually processed.

Verification of approved insurance and bonds may be obtained by checking **Track4LA™**, the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate through **Track4LA™** at <http://track4la.lacity.org> or submit an Insurance Industry Certificate or a renewal endorsement as outlined in Section 3 above. If your policy number changes you must also submit a new Additional Insured Endorsement with an Insurance Industry Certificate.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. (Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at www.2sparta.com), or by calling (800) 420-0555.)

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

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

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

Exhibit C

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

AFFIRMATIVE ACTION PLAN

Nondiscrimination, Equal Employment Practices and Affirmative Action Program (Non-Construction)

Bidders/Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2., Non-discrimination Clause.

Non-construction services to or for the City for which the consideration is \$1,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.3., Equal Employment Practices Provisions. All Bidders/Proposers shall complete and upload, the Non-Discrimination/Equal Employment Practices Affidavit (two (2) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at \$1,000 or more.

Non-construction services to or for the City for which the consideration is \$100,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.4., Affirmative Action Program Provisions. All Bidders/Proposers shall complete and upload, the City of Los Angeles Affirmative Action Plan (four (4) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract valued at \$100,000 or more. Bidders/Proposers opting to submit their own Affirmative Action Plan may do so by uploading their Affirmative Action Plan onto the City's BAVN.

Both the Non-Discrimination/Equal Employment Practices Affidavit and the City of Los Angeles Affirmative Action Plan Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City's BAVN.

Bidders/Proposers seeking additional information regarding the requirements of the City's Non-Discrimination Clause, Equal Employment Practices and Affirmative Action Program may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

Exhibit D

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

EQUAL BENEFITS ORDINANCE

Equal Benefits Ordinance

Bidders/Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All Bidders/Proposers shall complete and upload, the Equal Benefits Ordinance Affidavit (two (2) pages) available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract, the value of which exceeds \$5,000. The Equal Benefits Ordinance Affidavit shall be effective for a period of twelve months from the date it is first uploaded onto the City's BAVN. Bidders/Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the Equal Benefits Ordinance Affidavit.

Bidders/Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

Exhibit E

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

SLAVERY DISCLOSURE ORDINANCE

CITY OF LOS ANGELES



RULES AND REGULATIONS

IMPLEMENTING

THE SLAVERY DISCLOSURE ORDINANCE

REFLECTS ALL CHANGES MADE THROUGH JULY 1, 2006

Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 South Broadway Street, 3rd Floor
Los Angeles, CA 90015
(213) 847-2632
(213) 847-2777 (Fax)
<http://www.lacity.org/bca/>

**RULES AND REGULATIONS IMPLEMENTING
THE SLAVERY DISCLOSURE ORDINANCE**

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RULES AND REGULATIONS IMPLEMENTING THE SLAVERY DISCLOSURE ORDINANCE

These Rules and Regulations are promulgated pursuant to Section 10.41 *et seq.* of the Los Angeles Administrative Code (LAAC), hereinafter referred to as the Slavery Disclosure Ordinance (SDO). Each Awarding Authority shall cooperate to the fullest extent with the Designated Administrative Agency (DAA) in the administration of the SDO. The DAA may amend these Rules and Regulations from time to time, consistent with applicable law, as required for the implementation of the Ordinance.

DEFINITIONS

For purposes of these Rules and Regulations, the following definitions shall apply, including the definitions set forth in LAAC Section 10.41, which are incorporated herein.

- a. **Affidavit** means the form developed by the DAA which may be updated from time to time. The Affidavit need not be notarized but shall require the Company to sign under penalty of perjury that the Company:
 1. Has searched any and all records of the Company, or any Predecessor Company, regarding records of Participation or Investments in, or Profits derived, from Slavery, including Slaveholder Insurance Policies issued during the Slavery Era; and
 2. Has disclosed on the Affidavit, any and all records of Participation in or Profits derived by the Company, or any Predecessor Company, from Slavery, including issuance of Slaveholder Insurance Policies, during the Slavery Era, and identified the names of any Enslaved Persons or Slaveholders described in the records.
- b. **Awarding Authority** means a subordinate or component entity or person of the City, such as a City Department or Board of Commissioners, that has the authority to enter into a Contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.
- c. **Bid** means any application submitted by a Company in response to an Invitation for Bid.
- d. **Company** means any person, firm, corporation, partnership or combination of these.
- e. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies or rendering of any service to the City of Los Angeles or the public, which is let, awarded or entered into with or on behalf of the City of Los Angeles or any Awarding Authority of the City.

RULES AND REGULATIONS IMPLEMENTING THE SLAVERY DISCLOSURE ORDINANCE

- f. **Designated Administrative Agency (DAA)** means the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC).
- g. **Enslaved Person** means any person who was wholly subject to the will of another and whose person and services were wholly under the control of another and who was in a state of enforced compulsory service to another during the Slavery Era.
- h. **Investment** means to make use of an Enslaved Person for future benefits or advantages.
- i. **Invitation for Bids (IFB)** means the process through which the City solicits Bids, including Request for Proposals, Request for Qualifications, or other procurement process.
- j. **Participation** means having been a Slaveholder during the Slavery Era.
- k. **Predecessor Company** means an entity whose ownership, title and interest, including all rights, benefits, duties and liabilities were acquired in an uninterrupted chain of succession by the Company.
- l. **Profits** means any economic advantage or financial benefit derived from the use of Enslaved Persons.
- m. **Slavery** means the practice of owning Enslaved Persons.
- n. **Slavery Era** means that period of time in the United States of America prior to 1865.
- o. **Slaveholder** means holders of Enslaved Persons, owners of business enterprises using Enslaved Persons, owners of vessels carrying Enslaved Persons or other means of transporting Enslaved Persons, merchants or financiers dealing in the purchase, sale or financing of the business of Enslaved Persons.
- p. **Slaveholder Insurance Policies** means policies issued to or for the benefit of Slaveholders to insure them against the death of, or injury to, Enslaved Persons.

REGULATION #1: TIMING AND APPLICABILITY

- a. **IFBs, Contracts, and Contract Amendments Before October 15, 2003**
 - 1. IFBs that were released prior to October 15, 2003, and the Contracts awarded pursuant those IFBs, are not subject to the SDO, until the resulting Contract is subsequently amended as provided for in Regulation #1b.

RULES AND REGULATIONS IMPLEMENTING THE SLAVERY DISCLOSURE ORDINANCE

2. Contracts and Contract amendments executed before October 15, 2003 are not subject to the SDO until the Contracts are subsequently amended, as provided for in Regulation #1b.

b. IFBs, Contracts, and Contract Amendments After October 15, 2003

1. Unless otherwise exempt, IFBs released after October 15, 2003 are subject to the SDO.
2. Unless otherwise exempt or unless they were awarded pursuant to an IFB that was released prior to October 15, 2003, Contracts executed after October 15, 2003 are subject to the SDO.
3. Unless otherwise exempt, amendments to Contracts previously not subject to the SDO become subject to the Ordinance if the Contracts are amended after October 15, 2003.

REGULATION #2: AFFIDAVIT REQUIRED IN PROCUREMENT OF CONTRACTS

- a. **Awarding Authority Issuance of Invitation for Bids (IFB):** Unless otherwise exempt, Awarding Authorities shall include in their IFBs language informing Companies that the bidder that is eventually selected for award of the Contract will be required to submit an Affidavit to the Awarding Authority before the Contract can be executed. Only the bidder selected for award of the Contract must submit an Affidavit.
- b. **If No IFB Is Used to Procure the Proposed Contract:** Unless otherwise exempt, if no IFB procedure is used to procure a proposed Contract, the Awarding Authority must inform the selected Company that an Affidavit must be submitted to the Awarding Authority before a Contract can be executed.

REGULATION #3: REVIEW OF SUBMITTED AFFIDAVITS

- a. **Departmental Review for Submission of Affidavit:** Prior to executing any Contract, Awarding Authorities must ensure that the Company selected for award of the Contract has submitted an Affidavit that is complete and signed under penalty of perjury.
- b. **Transmittal of Affidavit to the DAA:** Awarding Authorities shall forward the submitted Affidavit, including any attachments, to the DAA.
- c. **Public Record:** Consistent with applicable law, an Affidavit, including any attachments, submitted to the City becomes part of the public record.

**RULES AND REGULATIONS IMPLEMENTING
THE SLAVERY DISCLOSURE ORDINANCE**

REGULATION #4: EXECUTION OF CONTRACTS AND AMENDMENTS

- a. **Contracts:** Contracts subject to the SDO may not be executed until:
 - 1. Language obligating the Company to comply with the Ordinance has been incorporated into the Contract;
 - 2. The Company has submitted an Affidavit; and
 - 3. The Company has satisfactorily complied with all other applicable City requirements.

- b. **Amendments:** Contract amendments occurring after October 15, 2003 may not be executed until:
 - 1. Language obligating the contractor to comply with the Ordinance has been incorporated into the Contract amendment (unless such language has previously been incorporated into the Contract); and
 - 2. The Company has submitted an Affidavit; and
 - 3. The Company has satisfactorily complied with all other applicable City requirements.

REGULATION #5: VIOLATIONS OF THE ORDINANCE OR THESE REGULATIONS

- a. A Company's alleged violation of the Ordinance or these Rules and Regulations may be reported to the DAA, which shall investigate the matter and make a determination as to whether a violation has taken place.

- b. Upon a finding that a Company has violated the Ordinance or these Rules and Regulations, such violation may be considered a material breach of the Contract. Such breach entitles the City to terminate the Contract and pursue any other remedy available, including the withholding of payments due or to become due under the Contract.

- c. A Company's violations of the Ordinance or these Rules and Regulations may be considered as evidence against the Company in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.

**RULES AND REGULATIONS IMPLEMENTING
THE SLAVERY DISCLOSURE ORDINANCE**

REGULATION #6: EXEMPTIONS

a. Awarding departments must apply for waiver from the SDO Affidavit requirements for

1. Basis:

(a) Exigent circumstances: If the Awarding Authority believes that the City would suffer a financial loss or that City operations would be adversely impacted unless exempted from the provisions of this article, the Awarding Authority must apply for exemption which must be approved by the DAA prior to Contract execution.

(b) Proprietary goods/Services or Single Source Contracts: If the Awarding Authority believes that the a Contract for the furnishing of goods or services are covered by letters patent granted by the government of the United States, or if the Awarding Authority believes that the goods or services are proprietary or only available from a single source, the awarding authority must apply for exemption which must be approved by the DAA prior to Contract execution.

2. Requirements: Awarding Authorities requesting exemption from the Ordinance on the basis of exigent circumstances shall submit a memorandum to the DAA detailing the situation and explaining why the City would suffer a financial loss and/or why City operations would be adversely impacted.

3. Unless additional information is required, upon receipt of a request for exemption from an Awarding Authority, the DAA will return a determination approving or denying the request for exemption within five (5) working days.

b. The following contracts are exempt from the Ordinance and these Rules and Regulations and do not require DAA approval before contract execution:

1. Contracts relating to:

(a) the investment of City trust moneys or bond proceeds;

(b) Pension funds;

(c) Indentures, security enhancement agreements for City tax-exempt and taxable financings;

(d) Deposits of City surplus funds in financial institutions;

**RULES AND REGULATIONS IMPLEMENTING
THE SLAVERY DISCLOSURE ORDINANCE**

- (e) The investment of City moneys in securities permitted under the California State Government Code and/or the City's investment policy;
 - (f) Investment agreements, whether competitively bid or not;
 - (g) Repurchase agreements; and
 - (h) City moneys invested in United States government securities.
2. Contracts involving City moneys in which the Treasurer or the City Administrative Officer finds that the City will incur a financial loss or forego a financial benefit, and which in the opinion of the Treasurer or the City Administrative Officer would violate his or her fiduciary duties.
 3. Grant funded Contracts if the application of this article would violate or be inconsistent with the terms or conditions of a grant or Contract with an agency of the United States, the State of California or the instruction of an authorized representative of any of those agencies with respect to any grant or Contract.
 4. Contracts with a governmental entity such as the United States of America, the State of California, a county, city or public agency of one of these entities, or a public or quasi-public corporation located in the United States and declared by law to have a public status.
 5. Contracts with any Company that has been designated as a non-profit organization pursuant to the United States Internal Revenue Code Section 501(c)(3).
 6. Contracts entered into pursuant to Charter Section 371(e)(5), as approved by Council.
 7. Contracts entered into pursuant to Charter Section 371(e)(6), as approved by Council.
 8. Contracts entered into pursuant to Charter Section 371(e)(7).

REGULATION #7: EFFECTIVE DATE OF RULES AND REGULATIONS

- a. These Rules and Regulations take effect October 15, 2003.
- b. Unless otherwise required by law, revisions to these Rules and Regulations, if any, shall be updated once yearly and become effective July 1.

Exhibit F

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

CHILDCARE POLICIES

CITY OF LOS ANGELES CHILD CARE POLICY

I. City Child Care Policy and Vendor System

On February 24, 1987, the City Council adopted the Child Care Policy for the City of Los Angeles. This Policy acknowledges the importance of quality, affordable, accessible child care to the individual, family work place and community. The City further recognizes that existing child care services and facilities are not adequate to meet current demand, and that such demand is increasing. Failure to address this critical unmet need will have serious, detrimental effects on the physical, social and economic life of Los Angeles. Thus, the City Child Care Policy was adopted, committing the City to use its resources as educator, employer model and facilitator to act as a catalyst in expanding the supply of quality, affordable child care in Los Angeles.

The City Child Care Policy includes an item specifically designed to address the development and implementation of child care policies and practices by vendors, as follows:

THE CITY OF LOS ANGELES SHALL ENCOURAGE ALL ITS VENDORS TO ADOPT A STATED POLICY ON CHILD CARE. TO THE EXTENT PERMITTED BY LAW, VENDORS WITH STATED CHILD CARE POLICIES SHALL RECEIVE PREFERENCE IN CONTRACTING WITH THE CITY OF LOS ANGELES.

It is the goal of the City to promote and facilitate the establishment and implementation of child care policies and practices which address the critical unmet local need for quality, affordable child care services.

A company may, after a review and due consideration, determine that child care is not an employee need or that a child care benefit/service cannot feasibly be offered by the company. In this case, a written policy statement to this effect would also qualify a company for the vendor preference.

II. Request Child Care Policy Information from Vendors

The information listed below should be completed by all vendor applicants. The vendor completes the Child Care Declaration Statement Form, declaring whether the business has stated child care policy and/or offers any form of child care assistance to employees. The Child Care Declaration Form should be filed with the City prior to the submission of any bid by a vendor. Those vendors indicating they have a stated child care policy for employees should file a copy of said policy along with the Declaration Form.

III. Definition of a Stated Child Care Policy

The following definitions apply to the various forms of child care assistance listed on the A Child Care Declaration Statement

- A. **EMPLOYER SUBSIDIZED CHILD CARE CENTER/S:** Group care for children (may range from 12 - 300 children), in a licensed setting such as a preschool or other center, which may serve infants, toddlers, preschoolers or school-age children; the center receives funds, goods, and/or services from an employer which thus subsidizes part or all of the child care center operating costs, and employees of the subsidizing employer may enroll dependents in this center.
- B. **EMPLOYER SUBSIDIZED CHILD CARE HOME/S:** Care for up to twelve children in the home of a licensed care giver; may include one home or a network of two or more family day care homes, which receive funds, goods, and/or services from an employer which thus subsidizes part or all of the home operating costs; employees of the subsidizing employer may enroll dependents in this center.
- C. **CHILD CARE REIMBURSEMENT IN ADDITION TO OTHER BENEFITS:** Employer helps employees pay for child care expenses by reimbursing the employee or his/her child care provider for all or part of the cost of child care; allows employee to select the child care provider, or employer may designate providers or conditions (e.g. health, dental, retirement, etc.) and child care included as a benefit choice.
- D. **CHILD CARE REIMBURSEMENT IN A FLEXIBLE BENEFIT PACKAGE:** System which allows employees to make individual choices among a range of benefits provided by the employer (e.g. health, dental, retirement, etc.) and child care is included as a benefit choice.
- E. **PAID PARENTAL LEAVE:** Employees are given paid time off work for childbirth or adoption, with a guaranteed return to the same or a comparable job and seniority status.

- F. PURCHASES OF SERVICES FOR EMPLOYEES IN COMMUNITY CHILD CARE PROGRAMS: Company contributes funds, goods and/or services to a child care program in the community (center or family day care home), for the purpose of preferential consideration for use by employees.
- G. SALARY SET-ASIDE/FLEXIBLE SPENDING ACCOUNT FUNDED WITH EMPLOYEE SALARY DOLLARS: Employer has set up a qualified Dependent Care Assistance Plan under IRS Sections 125 and 129, which allows employees to designate an amount up to \$5,000 per year to be set aside from their salaries to pay for dependent care; since a salary set-aside is not taxed, both employee and employer receive financial benefits.
- H. CHILD CARE REFERRAL SERVICES: A service to employees which provides information, referrals and consultation regarding local child care services (e.g. locations, hours, rates).

IV. Definitions of Child Care Assistance

- I. PARENTING SEMINARS: Company offers workshops, educational presentations, and related activities to provide information and support in such areas as parenting skills, work-family relations, child development, and related topics; may be provided by in-home staff or by contracted service.
- J. COUNSELING ON WORK/FAMILY ISSUES: Company provides (through in-house or contracted services) group, family, or individual counseling services to support employees in the resolution of work-family issues.
- K. START-UP OF A SELF-SUPPORTING CENTER: Company has provided funds, goods and/or services to directly assist in the land acquisition, design, construction, renovation, equipment, furnishings or other costs associated with starting a child care program; this was one-time-only assistance for start-up, with the center now operating on a self-supporting basis.
- L. START-UP CONTRIBUTIONS TO A CONSORTIUM CENTER: Company has provided funds, goods and/or services to a child care center, working in cooperation to develop and support a child care service available to employees of contributing companies.
- M. FLEXIBLE WORK HOURS: Employees are allowed to make choices about work schedules, with such possible options as 5 day/40 hour vs. 4-day/40-hour work weeks or flexible hours schedules within a day; may

include establishment of core working hours during which an employee must be present at the work site.

- N. **FLEX-PLACE/WORK-AT-HOME:** Company offers employees the option to work in their own homes; may be available part or full-time.
- O. **PERMANENT PART-TIME/JOB SHARING:** Company offers job opportunities in which employees may work less than full-time while retaining permanent employment status, and/or two employees may share a single full-time position with salary and benefits prorated between the two employees.
- P. **WORK-AT-HOME FOLLOWING MATERNITY LEAVE:** Employees are offered the option to perform their jobs at home for a period following leave for childbirth or adoption.
- Q. **UNPAID PARENTAL LEAVE:** Employees are allowed unpaid time off due to childbirth or adoption, with a guaranteed return to the same or a comparable job and seniority status.
- R. **DONATION TO ENHANCE AN EXISTING CHILD CARE PROGRAM:** Company has contributed funds, goods and/or services to a child care program, for the purpose of improving the quality, affordability, or accessibility of said program.

CHILD CARE DECLARATION STATEMENT

The business concern listed below hereby declares the following status on the AChild Care Policy of the City of Los Angeles, XI. VENDORS@ as defined in the attached supplementary instructions to bidders. It is incumbent upon the concern to notify the City of any changes applicable to this declaration.

Business Name	Telephone Number
Business Address	Signature/Title

Note: A stated child care policy may include services and/or benefits for employees and their families, including infants through school-age child care centers or family day care homes, before and after school programs, day camps, services for ill children, children with special needs, family leave and more. Please refer to the attached instructions for definitions. Please check ALL items on the form that apply to your business concern.

PART ONE	YES	NO
DOES YOUR BUSINESS HAVE A STATED CHILD CARE POLICY?	<input type="checkbox"/>	<input type="checkbox"/>
If YES, please attach a copy		

PART TWO

DOES YOUR BUSINESS PROVIDE CHILD CARE ASSISTANCE?	<input type="checkbox"/>	<input type="checkbox"/>
If YES, Please check which form/s of assistance		
<u>Level I Assistance</u>		
Subsidized company child care center	<input type="checkbox"/>	<input type="checkbox"/>
Subsidized network of child care homes	<input type="checkbox"/>	<input type="checkbox"/>
Child care reimbursement in addition to other benefits	<input type="checkbox"/>	<input type="checkbox"/>
Child care reimbursement in a flexible benefit package	<input type="checkbox"/>	<input type="checkbox"/>
Paid parental leave	<input type="checkbox"/>	<input type="checkbox"/>
Purchase of spaces for employees in community child care Program/s (center or homes)	<input type="checkbox"/>	<input type="checkbox"/>
<u>Level II Assistance</u>		
Salary set-aside/flexible spending account funded with employee salary dollars/Section 125	<input type="checkbox"/>	<input type="checkbox"/>
Child Care referral services	<input type="checkbox"/>	<input type="checkbox"/>
Parenting Seminars	<input type="checkbox"/>	<input type="checkbox"/>
Counseling on work/family issues	<input type="checkbox"/>	<input type="checkbox"/>
Start-up of a self-supporting center	<input type="checkbox"/>	<input type="checkbox"/>
Start-up contributions to a Consortium center@	<input type="checkbox"/>	<input type="checkbox"/>
<u>Level III Assistance</u>		
Flexible work hours	<input type="checkbox"/>	<input type="checkbox"/>
Flex-place/work-at-home	<input type="checkbox"/>	<input type="checkbox"/>
Permanent part-time job/job sharing	<input type="checkbox"/>	<input type="checkbox"/>
Work-at-home following maternity leave	<input type="checkbox"/>	<input type="checkbox"/>
Unpaid parental leave	<input type="checkbox"/>	<input type="checkbox"/>
Donation to enhance child care program	<input type="checkbox"/>	<input type="checkbox"/>
Other (Describe)		

I have read and completed the "Child Care Declaration Statement" and verify that the information provided is true and correct.

Name and Title	Date
----------------	------

City Departments: Please return a copy of this form to: 200 North Spring Street, #2200, Los Angeles, CA 90012

Exhibit G

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

CHILDCARE SUPPORT OBLIGATION

CHILD SUPPORT OBLIGATIONS

The City of Los Angeles has adopted an ordinance requiring that all contractors and subcontractors performing work for the City comply with all reporting requirements and wage and earning assignments relative to legally mandated child support. As a result, every contract that is let, awarded, or entered into with or on behalf of the City of Los Angeles shall contain the following provision:

The Contractor(s) and any Subcontractor(s) must fully comply with all applicable State and Federal employment reporting requirements for the Contractor(s)' and any Subcontractor(s)' employees. The Contractor(s) and any Subcontractor(s) must fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with the California Family Code. The Contractor(s) and any Subcontractor(s) must certify that the principal owner(s) thereof (any person who owns an interest of 10 percent or more) are in compliance with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally. The Contractor(s) and any Subcontractor(s) must certify that such compliance will be maintained throughout the term of the contract.

Failure of the Contractor(s) and/or any Subcontractor(s) to fully comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the Contractor(s) and/or any Subcontractor(s) or principal owner(s) thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

All Requests for Proposals, Requests for Qualifications, Invitations for Bids, advertisements for bids, and other similar documents must give notice of these provisions to those who bid on or submit proposals for prospective contracts with the City. **All bidders and proposers are required to complete the attached Certification of Compliance with Child Support Obligations. Failure to return the completed certification as part of the bid or proposal will result in the bid or proposal being deemed unresponsive and being rejected.**

City of Los Angeles

**CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT
OBLIGATIONS**

This document must be returned with the Proposal/Bid Response

The undersigned hereby agrees that _____ will:
Name of Business

1. Fully comply with all applicable State and Federal employment reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.

I declare under penalty of perjury that the foregoing is true and was executed at:

City/County/State

Date

Name of Business

Address

Signature of Authorized Officer or Representative

Print Name

Title

Telephone Number

Exhibit H

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

CONTRACTOR RESPONSIBILITY ORDINANCE

CITY OF LOS ANGELES

PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for the purchase of goods and products of at least \$100,000, contracts for the purchase of garments of at least \$25,000, and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Company Name, Address and Phone Number

Signature of Officer or Authorized Representative Date

Print Name and Title of Officer or Authorized Representative

Awarding City Department Contract Number

**CITY OF LOS ANGELES
RESPONSIBILITY QUESTIONNAIRE**

RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM.

In responding to the Questionnaire, neither the City form, nor any of the questions contained therein, may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

A. CONTACT INFORMATION

CITY DEPARTMENT INFORMATION

City Department/Division Awarding Contract

City Contact Person

Phone

City Bid or Contract Number (if applicable) and Project Title

BIDDER/CONTRACTOR INFORMATION

Bidder/Proposer Business Name

Street Address

City

State

Zip

Contact Person, Title

Phone

Fax

TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- An initial submission of a completed Questionnaire.
- An update of a prior Questionnaire dated ____/____/____.
- No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated ____/____/____ was submitted by the firm. Attach a copy of that Questionnaire and sign below.

Print Name, Title

Signature

Date

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS: _____

B. BUSINESS ORGANIZATION/STRUCTURE

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

Corporation: Date incorporated: ____/____/____ State of incorporation: _____

List the corporation's current officers.

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

Check the box only if your firm is a publicly traded corporation.

List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed. Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

Limited Liability Company: Date of formation: ____/____/____ State of formation: _____

List members who own 5% or more of the company. Use Attachment A if more space is needed.

Partnership: Date formed: ____/____/____ State of formation: _____

List all partners in your firm. Use Attachment A if more space is needed.

Sole Proprietorship: Date started: ____/____/____

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years. Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

Joint Venture: Date formed: ____/____/____

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. **Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.**

C. OWNERSHIP AND NAME CHANGES

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

Yes No

If **Yes**, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

Yes No

If **Yes**, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

Yes No

If **Yes**, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

Yes No

If **Yes**, list on Attachment A the name of the corporation or partnership that actually holds the license.

Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.

The responses to the remaining questions in this Questionnaire will not be posted on the internet but will be made available to the public for review upon request. Contact the appropriate Designated Administrative Agency.

D. FINANCIAL RESOURCES AND RESPONSIBILITY

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?

Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?

Yes No

If Yes, explain the circumstances on Attachment B.

E. PERFORMANCE HISTORY

7. How many years has your firm been in business? _____ Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?

Yes No

If, Yes, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?

Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?

Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?

Yes No

If Yes, explain on Attachment B the circumstances surrounding each instance.

F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check **Yes** even if the matter proceeded to arbitration without court litigation. For part (c), check **Yes** only if the matter proceeded to court litigation. If you answer **Yes** to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case; the date each case was filed; and the disposition/current status of each case.

(a) Payment to subcontractors?

Yes **No**

(b) Work performance on a contract?

Yes **No**

(c) Employment-related litigation brought by an employee?

Yes **No**

14. Does your firm have any outstanding judgements pending against it?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

SERVICE

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check **Yes** if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check **Yes** to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

(a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

Yes No

(b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

Yes No

(c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

Yes No

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

Print Name, Title

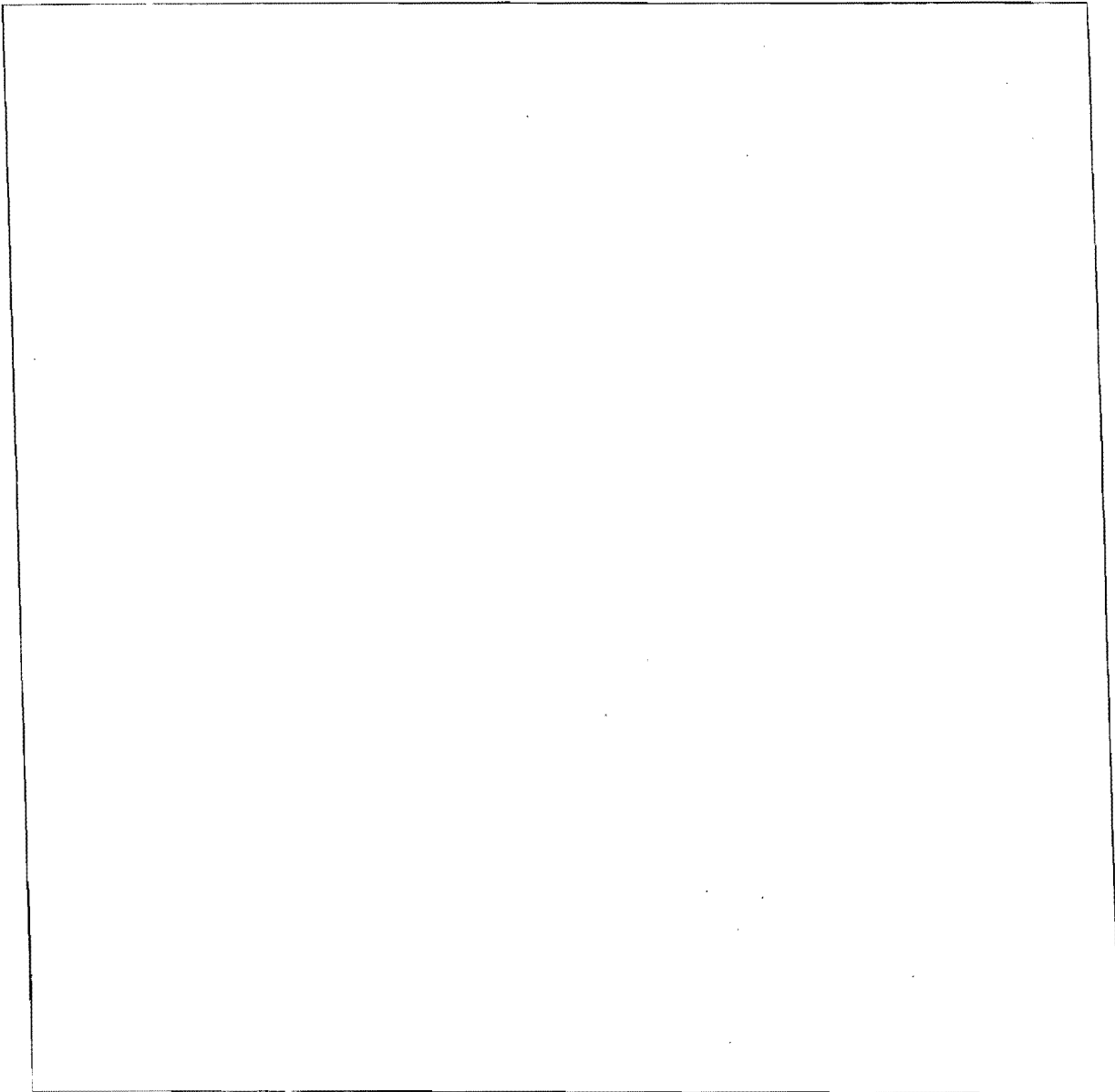
Signature

Date

ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections A through C will be posted on the internet for public review. Make copies of this Attachment if additional pages are needed.

Page _____



ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Information submitted on this Attachment in response to Questions in Sections D through H will not be posted on the internet but will be made available to the public for review upon request. Make copies of this Attachment if additional pages are needed.

Page _____

A large, empty rectangular box with a thin black border, intended for providing additional information or explanations in response to questions from Sections D through H. The box is currently blank.

ATTACHMENT C: GOVERNMENTAL ENTITIES FOR QUESTION NO. 16

Check **Yes** in response to Question No. 16 if your firm or any of its owners, partners or officers, have ever been investigated, cited, assessed any penalties, or found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed below (or any of its subdivisions), including but not limited to those examples specified below. The term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation. If you answered **Yes**, provide an explanation on Attachment B of the circumstances surrounding each instance, including the entity involved, the dates of such instances, and the outcome.

FEDERAL ENTITIES**Federal Department of Labor**

- American with Disabilities Act
- Immigration Reform and Control Act
- Family Medical Leave Act
- Fair Labor Standards Act
- Davis-Bacon and laws covering wage requirements for federal government contract workers
- Migrant and Seasonal Agricultural Workers Protection Act
- Immigration and Naturalization Act
- Occupational Safety and Health Act
- anti-discrimination provisions applicable to government contractors and subcontractors
- whistleblower protection laws

Federal Department of Justice

- Civil Rights Act
- American with Disabilities Act
- Immigration Reform and Control Act of 1986
- bankruptcy fraud and abuse

Federal Department of Housing and Urban Development (HUD)

- anti-discrimination provisions in federally subsidized/assisted/sponsored housing programs
- prevailing wage requirements applicable to HUD related programs

Federal Environmental Protection Agency

- Environmental Protection Act

National Labor Relations Board

- National Labor Relations Act

Federal Equal Employment Opportunity Commission

- Civil Rights Act
- Equal Pay Act
- Age Discrimination in Employment Act
- Rehabilitation Act
- Americans with Disabilities Act

STATE ENTITIES**California's Department of Industrial Relations**

- wage and labor standards, and licensing and registration
- occupational safety and health standards
- workers' compensation self insurance plans
- Workers' Compensation Act
- wage, hour, and working standards for apprentices
- any provision of the California Labor Code

California's Department of Fair Employment and Housing

- California Fair Employment and Housing Act
- Unruh Civil Rights Act
- Ralph Civil Rights Act

California Department of Consumer Affairs

- licensing, registration, and certification requirements
- occupational licensing requirements administered and/or enforced by any of the Department's boards, including the Contractors' State Licensing Board

California's Department of Justice**LOCAL ENTITIES**

City of Los Angeles or any of its subdivisions for violations of any law, ordinance, code, rule, or regulation administered and/or enforced by the City, including any letters of warning or sanctions issued by the City of Los Angeles for an unauthorized substitution of subcontractors, or unauthorized reductions in dollar amounts subcontracted.

OTHERS

Any other federal, state, local governmental entity for violation of any other federal, state, or local law or regulation relating to wages, labor, or other terms and conditions of employment.

Exhibit I

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

NON-COLLUSION AFFIDAVIT

WORKFORCE INFORMATION

Headquarters Address: _____

Local Address: _____

Contact person for this contract: _____

Telephone Number: _____

Total Workforce: _____

Percentage of total workforce residing in the City of Los Angeles: _____

DECLARATION OF NON-COLLUSION

This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the proposer has not in any manner sought by collusion to secure for himself an advantage over any other proposer.

Signature

Title

Date: _____

AFFIDAVIT TO ACCOMPANY PROPOSALS OR BIDS

STATE OF CALIFORNIA

ss.

COUNTY OF LOS ANGELES

_____, being first duly sworn, deposes and says: That (s)he is _____

(Insert "sole owner", "a partner", "president", "secretary", or other proper title)

of _____ (Insert name of bidder)

who submits herewith to the City of Los Angeles the attached proposal:

That (s)he is the person whose name is signed to the hereto attached proposal; that said proposal is genuine; that the same is not sham or collusive; that all statements of fact therein are true; that such proposal was not made in the interest or behalf of any person, partnership, company, association, organization, or corporation not therein named or disclosed.

Affiant further deposes and says: That the bidder has not directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interests of the public body which is to award the contract, or of any other bidder, or anyone else interested in the proposed contract; that the bidder has not in any manner sought by collusion to secure for him, itself, themselves, and advantage over any other bidder.

Affiant further deposes and says that prior to the public opening and reading of bids the said bidder:

- (a) did not, directly or indirectly, induce or solicit anyone else to submit a false or sham bid;
- (b) did not, directly or indirectly, collude, conspire, connive or agree with any one else that said bidder or anyone else would submit a false or sham bid, or that anyone should refrain from bidding or withdraw his bid;
- (c) did not, in any manner, directly or indirectly, seek by agreement, communication or conference with anyone to raise or fix the bid price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of his, its, their price or of that of anyone else; (Strike out words not appropriate)
- (d) did not, directly or indirectly, submit his, its, their bid price or any breakdown thereof, or (Strike out words not appropriate) the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent, thereof, or to any individual or group of individuals, except to the awarding authority or to any person or persons who have a partnership or other financial interest with said bidder in his, its, their business.

(Strike out words not appropriate)

Signed:

(Title)

Subscribed and sworn to before me

This _____ day of _____, 19__

Notary Public

WARNING

Bids will not be considered unless
The affidavit hereon is fully executed,
including the affidavit of the Notary
and the Notarial Seal.

Exhibit J

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

MUNICIPAL LOBBYING ORDINANCE

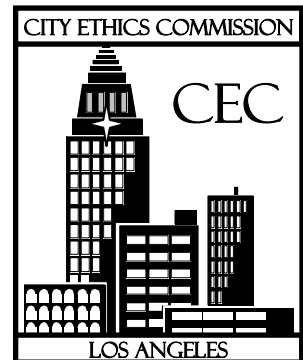
Municipal Lobbying Ordinance



◆◆◆ Los Angeles Municipal Code §§ 48.01 *et seq.*

Last Revised July 21, 2008

Prepared by



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**Los Angeles Municipal Lobbying Ordinance
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Municipal Lobbying Ordinance

Los Angeles Municipal Code Chapter IV, Article 8

Repealed and Re-added by Ordinance No. 169916, effective 8/10/94.

SEC. 48.01 Title and Findings

Amended by Ordinance No. 169916, effective 8/10/94.

- A. **Title.** This Article shall be known and may be cited as the Los Angeles Municipal Lobbying Ordinance.
- B. **Findings.** The following findings are adopted in conjunction with the enactment of this Article:
1. City Government functions to serve the needs of all citizens.
 2. The citizens of the City of Los Angeles have a right to know the identity of interests which attempt to influence decisions of City government, as well as the means employed by those interests.
 3. All persons engaged in compensated lobbying activities aimed at influencing decisions by City government must, when so engaged, be subject to the same regulations, restrictions and requirements, regardless of their background, training or other professional qualifications or license.
 4. Complete public disclosure of the full range of activities by and financing of lobbyists and those who employ their services is essential to the maintenance of citizen confidence in the integrity of local government.
 5. It is in the public interest to ensure that lobbyists do not misrepresent facts, their positions, or attempt to deceive officials through false communications, do not place City officials under personal obligation to themselves or their clients, and do not represent that they can control the actions of City officials.
 6. It is in the public interest to adopt these amendments to the City's regulations of lobbyists to ensure adequate and effective disclosure of information about efforts to lobby City government.

SEC. 48.02 Definitions

Amended by Ordinance No. 169916, effective 8/10/94.

Amended by Ordinance No. 172479, effective 4/10/99.

Amended by Ordinance No. 175432, effective 9/28/03.

Amended by Ordinance No. 178064, effective 1/15/07.

Amended by Ordinance No. 178356, effective 3/12/07.

The following terms used in this Article shall have the meanings set forth below. Other terms used in this Article shall have the meanings set forth in the California Political

Reform Act of 1974, as amended, and in the regulations of the California Fair Political Practices Commission, as amended, if defined therein.

"Activity expense" means any payment, including any gift, made to or directly benefiting any City official or member of his or her immediate family, made by a lobbyist, lobbying firm, or lobbyist employer.

"Agency" means the City of Los Angeles or any department, bureau, office, board, commission, other agency of the City, or any other government agency, required to adopt a conflict of interest code subject to City Council approval, and includes the City's Community Redevelopment Agency and the Los Angeles City Housing Authority.

"At the behest" means under the control of, at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express prior consent of any elective City officer or candidate for elective City office. A donation to a religious, charitable, or other nonprofit organization is not made at the behest of an elective City officer or candidate if the donation is solicited through a newspaper publication, through radio, television, or other mass media, or through a suggestion made to the entire audience at a public gathering. A donation to a religious, charitable, or other nonprofit organization is not made at the behest of an elective City officer or candidate solely because the name of the officer or candidate is listed with other names on written materials used to request donations or the officer or candidate makes a speech to the entire audience or is honored and given an award at an event sponsored by the organization.

"Attempting to influence" means promoting, supporting, opposing or seeking to modify or delay any action on municipal legislation by any means, including but not limited to providing or using persuasion, information, statistics, analyses or studies. A person attempts to influence municipal legislation when he or she engages in lobbying activities for the purpose of influencing a decision.

"City official" means any elective or appointed City officer, member, employee or consultant (who qualifies as a public official within the meaning of the Political Reform Act) of any agency, who, as part of his or her official duties, participates in the consideration of any municipal legislation other than in a purely clerical, secretarial or ministerial capacity.

"Client" means both

- (1) the person who compensates a lobbyist or lobbying firm for the purpose of attempting to influence municipal legislation and
- (2) the person on whose behalf a lobbyist or lobbying firm attempts to influence such municipal legislation, even if the lobbyist or lobbying firm is compensated by another person for such representation.

However, if a lobbyist or lobbying firm represents a membership organization and individual members of that organization, an individual member is not a client solely

because the member is individually represented by the lobbyist or lobbying firm unless the member makes a payment for such representation in addition to usual membership fees.

"Compensated services" means services for which compensation was paid during a reporting period or for which the lobbyist or lobbying firm became entitled to compensation during that period.

"Controlled committee" means any committee controlled by an elective City officer or candidate for any elective City office, including any campaign, officeholder, legal defense fund, or ballot measure committee.

"Direct communication" means appearing as a witness before, talking to (either by telephone or in person), corresponding with, or answering questions or inquiries from, any City official or employee, either personally or through an agent who acts under one's direct supervision, control or direction.

"Donation" means a payment for which full and adequate consideration is not received.

"Elective city officer" means the Mayor, City Attorney, Controller and Member of the City Council.

"Elective officer" means any person who is a City Council Member, City Attorney, Controller or Mayor, whether appointed or elected.

"Fundraiser" means an individual who receives compensation to engage in fundraising activity as defined in this section.

"Fundraising activity" means soliciting a contribution or hosting or sponsoring a fundraising event or hiring a fundraiser or contractor to conduct any event designed primarily for political fundraising at which contributions for an elective City officer, candidate for elective City office, or any of his or her controlled committees are solicited, delivered or made.

"Host or sponsor" means to provide the use of a home or business to hold a political fundraising event without charging market value for the use of that location; to ask more than 25 persons to attend the event; to pay for at least a majority of the costs of the event; or to provide the candidate, campaign, committee and/or fundraiser more than 25 names to be used for invitations to the event.

"Lobbying activities" includes the following and similar compensated conduct when that conduct is related to a direct communication to influence any municipal legislation:

- (1) engaging in, either personally or through an agent, written or oral direct communication with a City official;
- (2) drafting ordinances, resolutions or regulations;

- (3) providing advice or recommending strategy to a client or others;
- (4) research, investigation and information gathering;
- (5) seeking to influence the position of a third party on municipal legislation or an issue related to municipal legislation by any means, including but not limited to engaging in community, public or press relations activities; and
- (6) attending or monitoring City meetings, hearings or other events.

"Lobbying entity" means a lobbyist, lobbying firm or lobbyist employer, as defined in this article.

"Lobbying firm" means any entity, including an individual lobbyist, which receives or becomes entitled to receive \$1,000 or more in monetary or in-kind compensation for engaging in lobbying activities (either personally or through its agents) during any consecutive three-month period, for the purpose of attempting to influence municipal legislation on behalf of any other person, provided any partner, owner, shareholder, officer or employee of the entity qualifies as a lobbyist. Compensation does not include reimbursement of or payment for reasonable travel expenses. An entity receives compensation within the meaning of this definition whether or not the compensation is received solely for activities regulated by this article or is received for other activities as well; however, only that portion of compensation received for the lobbying activities shall count toward the qualification threshold. An entity **"becomes entitled to receive compensation"** when the entity agrees to provide services regulated by this Article, or performs those services, whether or not payment is contingent on the accomplishment of the client's purposes.

"Lobbyist" means any individual who is compensated to spend 30 or more hours in any consecutive three-month period engaged in lobbying activities which include at least one direct communication with a City official or employee, conducted either personally or through agents, for the purpose of attempting to influence municipal legislation on behalf of any other person.

Compensation does not include reimbursement of or payment for reasonable travel expenses. A person receives compensation within the meaning of this definition whether or not the compensation is received solely for activities regulated by this Article or is received for both lobbying activities and other activities as well. However, only the compensation for the lobbying activities shall be calculated to determine whether an individual qualifies as a lobbyist. An individual **"becomes entitled to receive compensation"** when the individual or the entity in which the individual is an employee, partner, owner, shareholder or officer, agrees to provide services regulated by this Article, or performs those services, regardless of whether payment is contingent on the accomplishment of the client's purposes. A lobbyist includes a person who owns an investment in a business entity if that person attempts to influence municipal legislation on

behalf of the business entity and if the person acquires the investment as compensation for his or her lobbying services or in contemplation of performing those services.

“Lobbyist employer” means an entity, other than a lobbying firm, that employs a lobbyist in-house to lobby on its behalf.

“Major filer” means any person who makes payments or incurs expenditures totaling \$5,000 or more during any calendar quarter for public relations, media relations, advertising, public outreach, research, investigation, reports, analyses, studies, or similar activities, for the purpose of attempting to influence action on any proposed or pending matter of municipal legislation, if these payments or expenditures are not required to be reported on a lobbyist or lobbying firm quarterly report. A **“major filer”** does not include a lobbyist, lobbyist employer, or lobbying firm. Expenditures and payments for regularly published newsletters or other routine communications between an organization and its members shall not be counted for the purpose of this definition.

“Municipal legislation” means any legislative or administrative matter proposed or pending before any agency (as defined in this Article), including but not limited to those involving the granting, denial, revocation, restriction or modification of a license, permit or entitlement for use (including all land use permits) if the Mayor, the City Council, any of its committees, any agency board, commission, committee, or general manager, or any agency officer or employee charged by law with holding a hearing and making a decision, is charged by law with making a final decision on the matter. However, **“municipal legislation”** does not include any of the following:

- (1) A request for advice or for an interpretation of laws, regulations, City approvals or policies, or a direct response to an enforcement proceeding with the City Ethics Commission.
- (2) Any ministerial action. An action is ministerial if it does not require the City official or employees involved to exercise discretion concerning any outcome or course of action.
- (3) Any action relating to the establishment, amendment, administration, implementation or interpretation of a collective bargaining agreement or memorandum of understanding between an agency and a recognized employee organization, or a proceeding before the Civil Service Commission or the Employee Relations Board. Further, it does not include management decisions as to the working conditions of represented employees that clearly relate to the terms of such collective bargaining agreement or memorandum of understanding. Nevertheless, **“municipal legislation”** does include any action relating to collective bargaining taken by the City Council, any of its committees or members (including the staffs of such members), or by the Mayor or his or her office.

- (4) Preparation or compilation of any radius map, vicinity map, plot plan, site plan, property owners or tenants list, abutting property owners list, photographs of property, proof of ownership or copy of lease, or neighbor signatures required to be submitted to the City Planning Department.

"Person" means any individual, business entity, trust corporation association, committee, or any other organization or group of persons acting in concert.

"Solicit" means to ask, personally or through an agent, that another person make a contribution to an elective City officer or candidate for City office, or to his or her controlled committee, including allowing one's signature to be used on a written request for funds. For purposes of this article, a lobbying entity solicits a contribution only when the lobbying entity does so

- (i) at the behest of the elective City officer or candidate for elective City office, or his or her campaign treasurer, campaign manager, or member of his or her fundraising committee, or
- (ii) if the lobbying entity has informed the candidate or officer that the person is soliciting the contributions.

A person does not solicit, however, by making a request for funds publicly to at least a majority of persons who attend any public gathering, or by making a request that appears published in a newspaper, on radio or television.

SEC. 48.03 Exemptions

Amended by Ordinance No. 169916, effective 8/10/94.

The following persons are exempt from the requirements of this Article:

- A. Any public official acting in his or her official capacity, and any government employee acting within the scope of his or her employment.
- B. A newspaper or other regularly published periodical, radio or television station or network, including any individual who owns, publishes or is employed by such newspaper, periodical or station or network, when, in the ordinary course of its business, it publishes or broadcasts news, editorials or other comments, or paid advertising, which directly or indirectly attempts to influence action on municipal legislation. This exemption does not apply to any other action by any such newspaper, periodical, station or network, or by any such person, to attempt to influence municipal legislation, if such activity otherwise regulated by this Article.
- C. A person acting without any compensation or consideration other than reimbursement or payment of reasonable travel expenses.

- D. Any person whose only activity is submitting a bid on a competitively bid contract, submitting a written response to or participating in an oral interview for a request for proposals or qualifications, or negotiating the terms of a written agreement with any City agency if selected pursuant to that bid or request for proposals or qualifications. Except with regard to persons covered by subsections E and F, this exemption shall not apply to any person who attempts to influence the action of the Mayor or Mayor's staff, any member of the City Council or their staffs, or any board or commission member with regard to any such contract.
- E. Any organization exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, which receives funding from any federal, state or local government agency for the purpose of representing the interests of indigent persons and whose primary purpose is to provide direct services to those persons, if the individual or individuals represented by the organization before any City agency provide no payment to the organization for that representation. This exemption shall not apply to direct contracts with a City official in other than a publicly noticed meeting, for the purpose of attempting to influence a City decision with regard to any City funding which the organization is seeking.
- F. Any person employed by an organization described in Subsection E with respect to his or her activities as an employee of the organization.

SEC. 48.04

Prohibitions

Amended by Ordinance No. 169916, effective 8/10/94.

No lobbyist or lobbying firm subject to the requirements of this Article shall:

- A. Do any act with the purpose and intent of placing any City official under personal obligation to the lobbyist, the lobbying firm, or to the lobbyist's or firm's employer or client.
- B. Fraudulently deceive or attempt to deceive any City official with regard to any material fact pertinent to any pending or proposed municipal legislation.
- C. Cause or influence the introduction of any municipal legislation for the purpose of thereafter being employed or retained to secure its passage or defeat.
- D. Cause any communication to be sent to any City official in the name of any nonexistent person or in the name of any existing person without the consent of such person.
- E. Make or arrange for any payment to a City official, or act as an agent or intermediary in making any such payment by any other person, if the arrangement or the payment would violate any provision of the City's Governmental Ethics Ordinance (Los Angeles Municipal Code Section 49.5.1, et seq.)

SEC. 48.05 Record Keeping Responsibilities

Amended by Ordinance No. 175432, effective 9/28/03.

- A. Lobbying entities and major filers shall prepare and retain detailed records (including all books, papers and other documents) needed to comply with the requirements of this Article. Treasurers and fundraisers for elective City officeholders and City candidates, or for any elective City officer's or City candidate's controlled committees shall prepare and retain detailed contribution activity records for any contributions received as a result of fundraising activity engaged in by a lobbyist, lobbying firm or lobbyist employer, as defined by this article. These records shall be retained for not less than four years.
- B. If a lobbying entity engages in fundraising activities as defined in Section 48.02 of this Code at the behest of a candidate or officeholder running for elective City office, the lobbying entity shall maintain records detailing any contributions that they know or have reason to know resulted from the fundraising activities.
- C. If an officeholder or a candidate running for elective City office contracts with a lobbying entity to engage in fundraising activity as described in Section 48.02 of this Code, the committee treasurer and fundraiser shall maintain records detailing any contributions that they know or have reason to know resulted from the fundraising activities. The treasurer and fundraiser shall make the records available to the lobbying entity upon request of the lobbying entity.
- D. If a lobbying entity delivers or sends written communications to a certified neighborhood council in an attempt to influence municipal legislation as described in Section 48.08.8 of this Article, the lobbying entity shall prepare and maintain detailed records of these written communications for not less than four years.

SEC. 48.06 Registration/Disclosure Forms

Amended by Ordinance No. 177105, effective 12/18/05.

All lobbyist and lobbying firm registrations, and all other statements and reports required by this Article shall be verified under penalty of perjury and shall be filed on forms provided by the City Ethics Commission and as otherwise required by this Article in section 48.06.1.

Any paper report or statement properly addressed and bearing the correct postage shall be considered filed on the date of the postmark or on the date of delivery to the City Ethics Commission, whichever is earlier.

SEC. 48.06.1 Online Filing of Lobbying Registration and Disclosure Statements

Added by Ordinance No. 177105, effective 12/18/05.

- A. Any person required by this Article to file registration and quarterly report statements with the City Ethics Commission shall file those statements online, using the Commission's Lobbyist Electronic Filing System (LEFS). Once any person is required to file registration and quarterly report statements online, that person shall continue to file statements online until the person's status as a lobbyist, lobbying firm or lobbyist employer has officially terminated. Any person who qualifies as a "Major Filer" as defined in section 48.02 of this Article is not subject to this online filing requirement.
- B. A person required by subsection A to file statements online also shall file a paper copy of each statement required by this Article. Each paper copy of a required statement shall contain an original signature. Paper copies of statements shall continue to be filed until the person's status as a lobbyist, lobbying firm or lobbyist employer has officially terminated. Until otherwise permitted under City law, the signed paper copy shall continue to be the original statement for audit and other legal purposes.
- C. In addition to any late filing penalties that may be imposed for a late filing of a paper copy pursuant to this Article, any person who fails to comply with the online filing requirement of this section will, in addition, be subject to an additional late filing penalty of \$25 per day after the deadline for the filing of the online copy.
- D. The information contained on a statement filed online shall be the same as that contained on the paper copy of the same statement that is filed with the Commission.
- E. The Lobbyist Electronic Filing System (LEFS) is an internet-based, interactive computer program developed by the Los Angeles City Ethics Commission and available on its website and allows persons to file, view and search statements and reports filed with the Commission online.

SEC. 48.07 Registration

Amended by Ordinance No. 172479, effective 4/10/99.

Amended by Ordinance No. 175028, effective 2/5/03.

- A. **Requirement.** An individual who qualifies as a lobbyist shall register with the City Ethics Commission within 10 days after the end of the calendar month in which the individual qualifies as a lobbyist. A person, including an individual lobbyist, shall register with the City Ethics Commission as a lobbying firm within 10 days after the end of the calendar month in which a partner, owner, shareholder, officer or employee qualifies as a lobbyist. If a person is not registered as a lobbyist or lobbying firm, but is performing acts which would require that person to so register,

that person may continue to act as a lobbyist or lobbying firm so long as the person registers with the City Ethics Commission within 10 days after the person knew or should have known of the obligation to register. A lobbyist or lobbying firm shall register each client on whose behalf or from which the lobbyist or lobbying firm receives or becomes entitled to receive \$250 or more in a calendar quarter for engaging in lobbying activities related to attempting to influence municipal legislation.

- B. **Duration of Status.** A person who registers as a lobbyist or lobbying firm shall retain that status through December 31 of that year unless and until that person terminates the status as set forth below.
- C. **Registration Fees.** Every lobbyist shall pay an annual registration fee of \$450 plus \$75 for each client on whose behalf or from which the lobbyist receives or becomes entitled to receive \$250 or more in a calendar quarter. Persons who initially register during the last quarter of a calendar year (October through December) shall pay prorated registration fees of \$337 for each lobbyist plus \$56 for each client.
- D. **Contents of Registration Statements — Lobbyists.** Registration statements of lobbyists shall contain the following:
 - 1. The lobbyist's name, business address, and business telephone number.
 - 2. The lobbying firm, if any, of which the lobbyist is an employee, partner, officer or owner.
 - 3. If the lobbyist is not an employee, partner, officer or owner of a lobbying firm, the name, address and telephone number of the lobbyist's employer, together with a letter from the employer authorizing the lobbyist to lobby on behalf of the employer.
 - 4. Each City agency that the lobbyist has the authority to attempt to influence on behalf of any client or employer.
 - 5. A statement that the lobbyist has reviewed and understands the requirements of this Article.
 - 6. Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provisions of this Article.
- E. **Contents of Registration Statements — Lobbying Firms**
Registration statements of lobbying firms (including individual contract lobbyists) shall contain the following:

1. The name, address and telephone number of the firm.
 2. The name of each lobbyist who is a partner, owner, shareholder, officer or employee of the firm.
 3. The registration statement prepared by each lobbyist so identified, appended to the statement.
 4. For each client on whose behalf or from which the firm received or became entitled to receive \$250 in compensation during the calendar quarter for engaging in lobbying activities related to attempting to influence municipal legislation within the meaning of this Article:
 - (a) The client's name, business or residence address and business or residence telephone number.
 - (b) The period during which the representation will occur.
 - (c) The item or items of municipal legislation for which the firm was retained to represent the client, or, if no specific items of municipal legislation for which the firm was retained to represent the client can be identified, a description of the types of municipal legislation for which the firm was retained to represent the client.
 - (d) Each City agency that the lobbying firm has the authority to attempt to influence on behalf of the client.
 - (e) A letter from the client authorizing the firm to represent the client.
 - (f) In the case of a lobbyist who is an individual contract lobbyist, a statement that he or she has reviewed and understands the requirements of this Article.
 - (g) The name of the person or persons responsible for preparing the statement.
 - (h) Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provisions of this Article.
- F. **Filing Registration Statements.** Every lobbying firm shall file its registration statement with the City Ethics Commission and shall attach the registration statements of all lobbyists who are partners, owners, shareholders, officers or employees of the firm. Every lobbyist who is not a partner, owner, shareholder, officer or employee of a lobbying firm shall file his or her registration statement with the City Ethics Commission.

- G. **Amendments to Registrations.** Lobbyists and lobbying firms shall file amendments to their registration statements within 10 days of any change in information required to be set forth on the registration statement.
- H. **Termination.** Any person registered under this Article shall file a Registration Termination form with the City Ethics Commission within 20 days after ceasing all activity governed by this Article.
- I. **Education Requirement.** Every individual who is required to register as a lobbyist shall attend a City lobbying information session conducted by the City Ethics Commission no less than once every two calendar years, according to the following schedule:
 - (1) An individual who has not registered as a lobbyist in the immediately preceding two calendar years shall attend a City lobbying information session within six months of his or her registration date as a lobbyist.
 - (2) A registered lobbyist who did not attend a City lobbying information session during the previous calendar year shall attend a City lobbying session by the end of the current calendar year.
 - (3) A registered lobbyist who attends a City lobbying information session during the current calendar year is not required to attend a City lobbying information session during the following calendar year.

SEC. 48.08

Disclosure Reports

Amended and renumbered by Ordinance No. 175432, effective 9/28/03.

- A. **Reporting Requirement.** Every lobbyist, lobbying firm, lobbyist employer and major filer shall file the quarterly disclosure reports required by this section on or before the last day of the month following each calendar quarter. A report properly addressed and bearing the correct postage shall be considered filed on the date of the postmark or on the date of delivery to the City Ethics Commission, whichever is earlier.
 - 1. All lobbyists and lobbying firms shall file quarterly reports for every calendar quarter during which they retain that status. An individual who qualifies both as a lobbyist and lobbying firm shall file only a lobbying firm quarterly report. Lobbyist employers shall file quarterly reports for every calendar quarter during which any individual employed by that employer retains the status as lobbyist. Information required to be disclosed concerning compensation received or expenditures made for lobbying shall be disclosed either by the lobbyist or by his or her lobbying firm or employer.

2. Major filers shall file quarterly reports for every calendar quarter during which they made qualifying payments or incurred qualifying expenditures totaling \$5,000 or more.
3. Quarterly reports shall disclose all required information for the calendar quarter immediately prior to the month in which the report is required to be filed. The reports shall be filed in duplicate (one original and one copy).

B. Quarterly Reports by Lobbyists — Contents. Quarterly reports by lobbyists shall contain the following information:

1. The lobbyist's name, business address and business telephone number.
2. The lobbying firm, if any, of which the lobbyist is a partner, owner, shareholder, officer or employee.
3. If the lobbyist is not a partner, officer or owner of a lobbying firm, the name, address and telephone number of the lobbyist's employer.
4. The date, amount and description of each activity expense of \$25 or more made by the lobbyist during the reporting period, the name and title of the City official benefiting from the expense, the name and address of the payee, and the client, if any, on whose behalf the expense was made. An activity expense shall be considered to be made on behalf of a client if the client requested or authorized the expense or if the expense was made in connection with an event at which the lobbyist attempted to influence the official on behalf of the client.
5. The total amount of activity expenses made by the lobbyist during the reporting period, whether or not itemized.
6. The name of any elective City officer, candidate for elective City office, or any controlled committee of the officer or candidate to which the lobbyist made contributions of \$100 or more, or which were delivered by the lobbyist, or in connection with which the lobbyist acted as an intermediary during the reporting period, and the date and amount of the contribution.
7. The name of any elective City officer, candidate for elective City office, or any City controlled committee of the officer or candidate for which the lobbyist engaged in any fundraising activity during the reporting period, the date(s) of the activity and the amount of funds the lobbyist knows or has reason to know were raised as a result of the activity.
8. The date and amount of one or more contributions aggregating more than \$1,000 made by the lobbyist at the behest of an elective City officer or candidate for elective City office during the reporting period to any and all

controlled committees of any other elective City officer or candidate for elective City office, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.

9. The date, amount and description of one or more donations aggregating \$1,000 or more made by the lobbyist at the behest of an elective City officer or candidate for elective City office during the reporting period to any religious, charitable or other nonprofit organization, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.
10. If, during the quarterly reporting period, the lobbyist provided compensated services, including consulting services, to the campaign of any candidate for elective City office, or to a campaign for or against any City ballot measure, the name of the candidate, the elective City office sought by the candidate, the ballot number or letter of the ballot measure, the date of the election, the amount of compensation earned for the compensated services, and a description of the nature of the services provided. Such information shall be reported if the lobbyist personally provided the services, or if the services were provided by a business entity in which the lobbyist owns at least a 10% investment, whether the compensation was provided directly to the lobbyist or to such business entity.
11. If, during the quarterly reporting period, the lobbyist provided compensated services under contract with the City or with any City agency, including consulting services, the amount of compensation received, the agency for which the services were provided, a description or other identification of the contract and the nature of the services provided. Such information shall be reported if the lobbyist personally provided the services, or if the services were provided by a business entity in which the lobbyist owns at least a 10% investment, whether the compensation was provided directly to the lobbyist or to such business entity.
12. Each City agency that the lobbyist attempted to influence.
13. Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provisions of this Article.

C. **Quarterly Reports by Lobbying Firms — Contents.** Quarterly reports by lobbying firms, including individual contract lobbyists, shall contain the following information:

1. The name, address and telephone number of the firm.

2. The name of each lobbyist who is a partner, owner, shareholder, officer or employee of the firm and whose quarterly report is required to be attached to the report.
3. The original quarterly report of each lobbyist identified pursuant to subdivision 2 above, attached as an exhibit to the report of the lobbying firm.
4. The name, address and telephone number of each client that is required to be registered and was represented by the firm during the reporting period; a description of each item of municipal legislation for which the firm or its lobbyists represented the client during the reporting period; the total amount of payments received by the firm from each client (including all fees, reimbursements for expenses and other payments) during the reporting period for such representation.
5. The total payments received from clients required to be registered by the firm during the reporting period in connection with the firm's representation of clients on municipal legislation.
6. The date, amount and description of each activity expense of \$25 or more made by the lobbying firm during the reporting period, the name and title of the City official benefiting from the expense, the name and address of the payee, and the client, if any, on whose behalf the expense was made. An activity expense shall be considered to be made on behalf of a client if the client requested or authorized the expense or if the expense was made in connection with an event at which the lobbying firm attempted to influence the official on behalf of the client.
7. The total amount of activity expenses made by the lobbying firm during the reporting period, whether or not itemized.
8. The total amount of expenses incurred in connection with attempts by the firm to influence municipal legislation. These expenses shall include:
 - (a) total payments to lobbyists employed by the firm;
 - (b) total payments to employees of the firm, other than lobbyists, who engaged in attempts to influence municipal legislation during the reporting period; and
 - (c) all expenses attributable to attempts to influence municipal legislation, other than overhead, and other expenses that would not be incurred but for the attempts to influence. Each such expense of \$5,000 or more shall be itemized and described.
9. The name of any elective City officer, candidate for elective City office, or any controlled committee of the officer or candidate to which the lobbying

firm made contributions of \$100 or more, or which were delivered by the lobbying firm, or in connection with which the lobbying firm acted as an intermediary during the reporting period, and the date and amount of the contribution.

10. The name of any elective City officer, candidate for elective City office, or any City controlled committee of the officer or candidate for which the lobbying firm engaged in any fundraising activity during the reporting period, the date(s) of the activity and the amount of funds the lobbying firm knows or has reason to know were raised as a result of the activity.
11. The date and amount of one or more contributions aggregating more than \$1,000 made by the lobbying firm at the behest of an elective City officer or candidate for elective City office during the reporting period to any and all controlled committees of any other elective City officer or candidate for elective City office, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.
12. The date, amount and description of one or more donations aggregating \$1,000 or more made by the lobbying firm at the behest of an elective City officer or candidate for elective City office during the reporting period to any religious, charitable or other nonprofit organization, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.
13. If, during the quarterly reporting period, the lobbying firm provided compensated services, including consulting services, to the campaign of any candidate for elective City office, or to a campaign for or against any City ballot measure, the name of the candidate, the elective City office sought by the candidate, the ballot number or letter of the ballot measure, the date of the election, the amount of compensation earned for the compensated services and a description of the services provided.
14. If, during the quarterly reporting period, the lobbying firm provided compensated services under contract with the City or with any agency, including consulting services, the amount of compensation received, the agency for which the services were provided, a description or other identification of the contract and the nature of the services provided. For an individual contract lobbyist who qualifies as a lobbying firm, such information shall be reported if the lobbyist personally provided the services, or if the services were provided by a business entity in which the lobbyist owns at least a 10% investment, regardless of whether the compensation was provided directly to the lobbyist or to such business entity.

15. For an individual contract lobbyist who qualifies as a lobbying firm, each City agency that the lobbyist attempted to influence.
16. The name, address and telephone number of the person responsible for preparing the report.
17. Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provisions of this Article.

D. Quarterly Reports by Lobbyist Employers — Contents. Quarterly reports by lobbyist employers shall contain the following information.

1. The name, address and telephone number of the entity filing the report.
2. The name of each lobbyist who is employed by the entity and whose quarterly report is required to be attached as an exhibit to the report.
3. The original quarterly report of each lobbyist identified pursuant to Subdivision 2 above, attached as an exhibit to the report of the lobbyist employer.
4. Total payments during the reporting period to lobbyists employed by the entity. Such payments shall include solely payments for compensation and reimbursement of expenses relating to the lobbyists' attempts to influence municipal legislation.
5. Total payments to employees of the entity, other than lobbyists, who engaged in attempts to influence municipal legislation during the reporting period. Such payments shall include payments for compensation and reimbursement of expenses relating to such persons' attempts to influence municipal legislation.
6. Total payments for expenses incurred in connection with attempts by the entity during the reporting period to influence municipal legislation. These expenses shall include all expenses attributable to attempts to influence municipal legislation, other than overhead, and other expenses that would not be incurred but for the attempts to influence. Each such expense of \$5,000 or more shall be itemized and described.
7. A description of each item of municipal legislation which the entity attempted to influence during the reporting period.
8. The date, amount and description of each activity expense of \$25 or more made by the lobbyist employer during the reporting period, the name and title of the City official benefiting from the expense, and the name and address of the payee.

9. The total amount of activity expenses made by the lobbyist employer during the reporting period, whether or not itemized.
 10. The name of any elective City officer, candidate for elective City office, or any controlled committee of the officer or candidate to which the lobbyist employer made contributions of \$100 or more, or which were delivered by the lobbyist employer, or in connection with which the lobbyist employer acted as an intermediary during the reporting period, and the date and amount of the contribution.
 11. The name of any elective City officer, candidate for elective City office, or any City controlled committee of the officer or candidate for which the lobbyist employer engaged in any fundraising activity during the reporting period, the date(s) of the activity and the amount of funds the lobbyist employer knows or has reason to know were raised as a result of the activity.
 12. The date and amount of one or more contributions aggregating more than \$1,000 made by the lobbyist employer at the behest of an elective City officer or candidate for elective City office during the reporting period to any and all controlled committees of any other elective City officer or candidate for elective City office, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.
 13. The date, amount and description of one or more donations aggregating \$1,000 or more made by the lobbyist employer at the behest of an elective City officer or candidate for elective City office during the reporting period to any religious, charitable or other nonprofit organization, the name and address of the payee, the name of the elective City officer or candidate for elective City office who made the behest and the date of the behest.
 14. The name, address and telephone number of the person responsible for preparing the report.
 15. Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provisions of this Article.
- E. **Quarterly Reports by Major Filers — Contents.** Quarterly reports by major filers shall contain the following information:
1. The name, address and telephone number of the person filing the report.
 2. A description of each item of municipal legislation which the entity attempted to influence during the reporting period.

3. The total payments made during the reporting period for the purpose of attempting to influence action on each proposed or pending matter of municipal legislation.
4. The name, address and telephone number of the person responsible for preparing the report.
5. Any other information required by regulation of the City Ethics Commission, consistent with the purposes and provision of this Article.

SEC. 48.08.5 Copies of Solicitations

Added by Ordinance No. 175432, effective 9/28/03.

Each lobbying entity that produces, pays for, mails or distributes more than 50 substantially similar copies of a written political fundraising solicitation for any controlled committee of an elective City officer or candidate relating to seeking or holding City elective office or supporting or opposing a City ballot measure shall send a copy of the solicitation to the City Ethics Commission for public access, at the time the solicitation is sent or otherwise distributed, and shall report on its next quarterly report the date(s) on which it is mailed or distributed and a general description of the content of the solicitation, the number of pieces mailed or distributed, and name of the elective City officer, or candidate or City ballot measure committee for which the funds were solicited.

SEC. 48.08.6 Lobbying Disclosure — Political Contributions

Added by Ordinance No. 175432, effective 9/28/03.

- A. Each lobbying entity, which makes one or more contributions to an elective City officer and/or to any or all of his or her controlled committees, shall file a notice with the City Ethics Commission each time the making of a contribution results in the lobbying entity having made contributions aggregating more than \$7,000 to the officer and/or his or her controlled committees within the past 12 months. The notice shall be filed on a form prescribed by the Commission within one business day after making a contribution that triggers the filing requirement. The notice shall contain the following information:
 1. The name, address and telephone number of the filer, the name of the elective City officer, and/or any or all of his or her controlled committees, to which the lobbying entity made contributions aggregating more than \$7,000 during the past twelve months, and the date and amount of each contribution.
 2. For purposes of this section, a “controlled committee” does not include any committee controlled by an elective City officer that is
 - (a) formed to support or oppose a ballot measure or

- (b) formed to support the election of that officer to other than elective City office.
- B. The original notice shall be filed with the City Ethics Commission, and copies shall be filed with the City Clerk and the elective City officer involved. Each notice may only include information relative to one elective officer.
- C. The form shall be considered filed on the date of the postmark or on the date of delivery to the City Ethics Commission, whichever is earlier.
- D. The form shall be verified under penalty of perjury by the individual filing it or by an officer of the entity authorized to file it.
- E. The City Ethics Commission shall post the information in the notice on its website within one business day of its receipt of the notice. The City Clerk shall make the notice available for inspection within one business day of its receipt.

SEC. 48.08.7 Lobbying Disclosure — Fundraising Activity

Added by Ordinance No. 175432, effective 9/28/03.

- A. Every lobbying entity who within any 12 month period (i) engaged in fundraising activities on behalf of an elective City officer and/or any and all of his or her controlled committees, and which knows or has reason to know that the fundraising activities resulted in contributions, and/or (ii) delivered or acted as an intermediary for one or more contributions to the elective City officer and/or any and all of his or her controlled committees, shall file a notice with the City Ethics Commission any time the activities identified in (i) and/or (ii) aggregate more than \$15,000 in the case of a member of the City Council, or more than \$35,000 in the case of the Mayor, City Attorney, or Controller. The notice shall be filed on a form prescribed by the City Ethics Commission within one business day after any of these thresholds is exceeded. The notice shall contain the following information:
 - 1. The name, address and telephone number of the filer, the name of the elective City officer, and/or any or all of his or her controlled committees, on whose behalf the lobbying entity engaged in fundraising activities, or delivered or acted as intermediary for one or more contributions to the elective City officer and/or any and all of his or her controlled committees, the date of the fundraising activity, and the amount of contributions raised, delivered or in connection with which the lobbying entity acted as an intermediary.
 - 2. For purposes of this section, a “controlled committee” does not include any committee controlled by an elective City officer that is
 - (a) formed to support or oppose a ballot measure or

- (b) formed to support the election of that officer to other than elective City office.
- 3. For purposes of this notification, if a fundraising event is sponsored or hosted by more than one person, the amount of contributions received at or as a result of the event shall be attributed to each lobbying entity who hosted or sponsored the event according to the amount of the contributions that resulted from that lobbying entity's fundraising activities. If a contribution results from the fundraising of more than one person and/or lobbying entity, that contribution shall be apportioned equally to each of the persons and/or lobbying entity that engaged in the fundraising activity.
- B. The original notice shall be filed with the City Ethics Commission, and copies shall be filed with the City Clerk and the elective City officer involved. Each notice may only include information relative to one elective officer.
- C. The form shall be considered filed on the date of the postmark or on the date of delivery to the City Ethics Commission, whichever is earlier.
- D. The form shall be verified under penalty of perjury by the individual filing it or by an officer of the entity authorized to file it.
- E. The City Ethics Commission shall post the information in the notice on its website within one business day of its receipt of the notice. The City Clerk shall make the notice available for inspection within one business day of its receipt.

**Sec. 48.08.8 Lobbying Disclosure — Written Communications to
Neighborhood Councils**

Added by Ordinance No. 176034, effective 7/26/04.

- (a) No lobbying entity registered with the City of Los Angeles shall deliver or send to a certified neighborhood council a written communication on behalf of a client, including, but not limited to, letters, faxes, electronic messages, and flyers, without a disclosure indicating that the communication was delivered or sent by that lobbying entity.
- (b) For purposes of subsection (a), the required disclosure shall be printed clearly and legibly in no less than 8-point type in a color or print that contrasts with the background so as to be legible and shall be presented in a clear and conspicuous manner in the written communication. The disclosure shall include all of the following information applicable to the written communication:
 - (1) The name of the lobbyist(s) that prepares, delivers or sends the written communication;

- (2) The name of the registered lobbying firm(s) or lobbyist employer(s) who employs the lobbyist(s) that prepares, delivers or sends the written communication; and,
- (3) The name of the client or clients on whose behalf the lobbying entity prepares, delivers, or sends the written communication in an attempt to influence municipal legislation.

SEC. 48.09 Compliance Measures and Enforcement

Amended by Ordinance No. 169916, effective 8/10/94.

Amended by Ordinance No. 171142, effective 8/3/96.

Amended by Ordinance No. 172942, effective 1/21/00.

Amended by Ordinance No. 178064, effective 1/15/07.

Amended by Ordinance No. 179934, effective 7/21/08.

A. **Audits.** The City Ethics Commission shall have the authority to conduct audits of reports and statements filed pursuant to this Article. Such audits may be conducted on a random basis or when the City Ethics Commission staff has reason to believe that a report or statement may be inaccurate or has not been filed.

B. **Criminal Penalties.**

1. Any person who knowingly or willfully violates any provision of this Article is guilty of a misdemeanor. Any person who knowingly or willfully causes any other person to violate any provision of this article, or who knowingly or willfully aides and abets any other person in violation of any provision of this article, is guilty of a misdemeanor.
2. Prosecution for violation of any provision of this article must be commenced within one year after the date on which the violation occurred.
3. No person convicted of a violation of this Article may act as a lobbyist or otherwise attempt to influence municipal legislation for compensation for one year after such conviction.

C. **Civil Enforcement.**

1. Any person who knowingly violates any provision of Section 48.04 shall be liable in a civil action brought by the City Attorney. Any person who intentionally or negligently violates any other provisions of this Article shall be liable in a civil action brought by the City Attorney. Failure to properly report any receipt or expenditure may result in civil penalties not to exceed the amount not properly reported, or \$2,000, whichever is greater. Any other violation may result in civil penalties no greater than \$2,000. If the court determines that a violation was intentional, the court may order that the defendant be prohibited from acting as a lobbyist or otherwise attempting to influence municipal legislation for one year.

2. In determining the amount of liability pursuant to this subsection, the court shall take into account the seriousness of the violation and the degree of culpability of the defendant.
 3. If two or more persons are responsible for any violation, they shall be jointly and severally liable.
 4. No civil action alleging a violation of this Article shall be filed more than four years after the date the violation occurred.
- D. **Injunction.** The City Attorney on behalf of the people of the City of Los Angeles may seek injunctive relief to enjoin violations of or to compel compliance with the provisions of this article.
- E. **Administrative Penalties.** The City Ethics Commission may impose penalties and issue orders for violation of this Article pursuant to its authority under Charter Section 706(c).
- F. **Late Filing Penalties.** In addition to any other penalty or remedy available, if any person fails to file any report or statement required by this Article, after any deadline imposed by this Article, such person shall be liable to the City Ethics Commission in the amount of twenty-five dollars (\$25) per day after the deadline until the statement or report is filed, up to a maximum amount of \$500. Liability need not be enforced by the Commission if its Executive Officer determines that the late filing was not willful and that enforcement of the penalty would not further the purposes of this Article. No liability shall be waived if a statement or report is not filed within 10 days after the Commission has sent specific written notice to the filer of the filing requirement.
- G. **Restriction on Person Who Violates Certain Laws.**
1. No person shall act or continue to act as a registered lobbyist or lobbying firm if, within the prior four years, that person has been found by the City Ethics Commission, in a proceeding pursuant to Charter Section 706, to have violated City Charter Section 470(k) on any occasion. That determination shall be based either on a finding of the City Ethics Commission made after an administrative hearing or on a stipulation by the lobbyist or lobbying firm entered into with the City Ethics Commission within the previous four years.
 2. If the City Ethics Commission makes a finding that the person has either
 - (1) accepted responsibility for the violation in the form of having entered into a stipulation with the City Ethics Commission in which the party admits the violation, or otherwise exhibits evidence of having accepted such responsibility, or

- (2) mitigated the wrongdoing by taking prompt remedial or corrective action, then the City Ethics Commission may reduce the time period during which the above prohibition would apply to a period of not less than one year.

H. Contract Bidder Certification of Compliance With Lobbying Laws.

1. Any bidder for a contract, as those terms are defined in Los Angeles Administrative Code Section 10.40.1, shall submit with its bid a certification, on a form prescribed by the City Ethics Commission, that the bidder acknowledges and agrees to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if the bidder qualifies as a lobbying entity under Section 48.02 of this article. The exemptions contained in Section 48.03 of this article and Los Angeles Administrative Code Section 10.40.4 shall not apply to this subsection.
2. Each agency shall include the Municipal Lobbying Ordinance in each invitation for bids, request for proposals, request for qualifications, or other solicitation related to entering into a contract with the City. The ordinance must be provided in at least 10-point font and may be provided on paper, in an electronic format, or through a link to an online version of the ordinance. The ordinance is not required to be printed in a newspaper notice of the solicitation.
3. This subsection does not apply to the renewal, extension, or amendment of an existing contract, as long as the solicitation for the original contact met the requirements in Paragraphs 1 and 2 above and the renewal, extension, or amendment does not involve a new solicitation.
4. For purposes of this subsection, “agency” does not include a state agency operating solely within the City such as the Community Redevelopment Agency or Los Angeles City Housing Authority.

SEC. 48.10 Ethics Commission Reports

Added by Ordinance No. 169916, effective 8/10/94.

As soon as practicable after the close of each quarterly reporting period, the City Ethics Commission shall prepare a report to the Mayor and City Council of lobbying activity which occurred during the reporting period. Such report shall be in a form which, in the opinion of the Commission, best describes the activities, receipts and expenditures of persons subject to the requirements of this article.

SEC. 48.11 Severability

Added by Ordinance No. 169916, effective 8/10/94.

If any provision of this article, or its application to any person or circumstance, is held invalid by any court, the remainder of this article and its application to other persons and circumstances, other than that which has been held invalid, shall not be affected by such invalidity, and to that extent the provisions of this article are declared to be severable.

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Exhibit K

CITY OF LOS ANGELES

**BROKER/ADMINISTRATOR SERVICES FOR
BOND ASSISTANCE PROGRAM LOS ANGELES**

BIDDER CERTIFICATE CEC FORM 50



City Ethics Commission
 200 N Spring Street
 City Hall — 24th Floor
 Los Angeles, CA 90012
 Mail Stop 129
 (213) 978-1960

Bidder Certification

CEC Form 50

Bid/Contract Number:	Department:
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Name of Bidder:	Phone:
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Address:

Email:

CERTIFICATION

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

- A. I am a person or entity that is applying for a contract with the City of Los Angeles.
- B. The contract for which I am applying is an agreement for one of the following:
 - 1. The performance of work or service to the City or the public;
 - 2. The provision of goods, equipment, materials, or supplies;
 - 3. Receipt of a grant of City financial assistance for economic development or job growth, as further described in Los Angeles Administrative Code § 10.40.1(h) [see reverse]; or
 - 4. A public lease or license of City property where both of the following apply, as further described in Los Angeles Administrative Code § 10.37.1(i) [see reverse]:
 - a. I provide services on the City property through employees, sublessees, sublicensees, contractors, or subcontractors, and those services:
 - i. Are provided on premises that are visited frequently by substantial numbers of the public; or
 - ii. Could be provided by City employees if the awarding authority had the resources; or
 - iii. Further the proprietary interests of the City, as determined in writing by the awarding authority.
 - b. I am not eligible for exemption from the City's living wage ordinance, as eligibility is described in Los Angeles Administrative Code § 10.37(i)(b).
- C. The value and duration of the contract for which I am applying is one of the following:
 - 1. For goods or services contracts—a value of more than \$25,000 and a term of at least three months;
 - 2. For financial assistance contracts—a value of at least \$100,000 and a term of any duration; or
 - 3. For construction contracts, public leases, or licenses—any value and duration.
- D. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

Date: _____ Signature: _____

Name: _____

Title: _____

Under Los Angeles Municipal Code § 48.09(H), this form must be submitted to the awarding authority with your bid or proposal on the contract noted above.

Los Angeles Administrative Code § 10.40.1(h)

- (h) "City Financial Assistance Recipient" means any person who receives from the City discrete financial assistance in the amount of One Hundred Thousand Dollars (\$100,000.00) or more for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation.

Categories of such assistance shall include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

Los Angeles Administrative Code § 10.37.1(i)

- (i) "Public lease or license".
- (a) Except as provided in (i)(b), "Public lease or license" means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:
- (1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or
 - (2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or
 - (3) The DAA has determined in writing that coverage would further the proprietary interests of the City.
- (b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:
- (1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;
 - (2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;
 - (3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company's entire workforce to the awarding authority as required by regulation;
 - (4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;
 - (5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);
 - (6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;
 - (7) Public leases and licenses shall be deemed to include public subleases and sublicenses;
 - (8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.