

# NEIGHBORHOOD COUNCIL LEASE AGREEMENT

BETWEEN CITY OF LOS ANGELES AND \_\_\_\_\_

Location: \_\_\_\_\_

## ARTICLE 1. BASIC PROVISIONS

1.1 **Date and Parties.** This lease agreement ("**Lease**") is dated, for reference purposes only, \_\_\_\_\_, and is between \_\_\_\_\_ ("**Landlord**") and CITY OF LOS ANGELES ("**City**"), acting on behalf of its \_\_\_\_\_ ("**Neighborhood Council**"), upon the provisions and conditions contained in this Lease.

**Landlord is an/a (individual, corporation, non-profit organization, LLC)** with principal offices at \_\_\_\_\_ and tenant, City of Los Angeles, is a municipal corporation, organized under the laws of the State of California, acting through its Department of Neighborhood Empowerment, 334-B East Second Street, Los Angeles, CA 90012.

1.2. **Premises.** Landlord leases to City and City leases from Landlord, the real property located in the City of Los Angeles, State of California, containing \_\_\_\_\_ sq. feet of office space within the building ("**Building**") located at \_\_\_\_\_ ("**Premises**"). Premises are acceptable to the tenants as found on \_\_\_\_\_ **Date** \_\_\_\_\_.

1.3. **Building Ownership.** Landlord warrants that Landlord is legally authorized to rent an interior office of the premise as described in Section 1.2.

1.4. **Execution Date.** The phrase "**Execution Date**" for Landlord shall mean the date it is signed, dated, and delivered by Landlord or Landlord's authorized representative. The phrase "**Execution Date**" for Tenant, City of Los Angeles, shall mean the date that the General Manager of the Department of Neighborhood Empowerment has signed, dated, and delivered the lease to Landlord. The General Manager of the Department of Neighborhood Empowerment is only authorized to execute this lease after the City Council has approved the lease and the City Clerk has evidenced same by signature/attestation.

## ARTICLE 2. NOTICES

2.1. **Notices.** All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States mail, postage prepaid, return receipt requested, or transmitted by telecopier (e.g., Fax) or electronic mail (upon mutual agreement of participating parties), in which case the receiving party shall immediately confirm receipt of such telecopied or e-mailed notice. All notices are effective upon receipt. Any Right of Way number shall be included in all notices. For the purposes of such notices, the addresses for the parties are set forth in Section 2.2 below. Either party may from time to time designate another person or place in a notice.

2.2. **Notices - Where Sent.** All notices given under this Lease which are mailed or telecopied shall be addressed to the respective parties as follows:

To City:  
City of Los Angeles  
c/o Department of Neighborhood Empowerment  
334-B East Second Street  
Los Angeles, CA 90012  
Telecopier: (213) 485-4608

With an additional copy to:  
Board Representative  
\_\_\_\_\_ Neighborhood Council

To Landlord:

Landlord's Legal Name include DBA (doing business as)  
Landlord's Address (not a PO Box)

With additional copies to:

Office of the City Attorney  
Neighborhood Council Advice  
200 N. Main Street, Suite 800  
Los Angeles, CA 90012

Office of the City Attorney  
Real Property/ Environment Division  
200 N. Main Street, Suite 700  
Los Angeles, CA 90012

### ARTICLE 3. TERM

3.1. **Term.** The term of this Lease shall be up to one year ("**Term**") only, commencing on \_\_\_\_\_ ("**Lease Commencement Date**") and terminating on \_\_\_\_\_ ("**Lease Termination Date**"), unless terminated earlier.

### ARTICLE 4. RENTAL

4.1. **Rent.** City agrees to pay as rent for the Premises the sum of \$ \_\_\_\_\_ per month which equals to \$ \_\_\_\_\_ per year ("**Rent**") per month payable from the Lease Commencement Date and in advance (CHECK ONE OF THE FOLLOWING):

- \_\_\_ On the first day of the full Lease Term (one single payment for the Term);
- \_\_\_ On the first day of each of the first (1st) and sixth (6th) months of the Lease Term (two payments for the Term); OR
- \_\_\_ On the first day of each of the first (1st), fourth (4th), seventh (7th), and tenth (10th) months of the Lease Term (four payments for the Term).

4.2. **Business Tax Registration Certificate.** Pursuant to the program of the Controller of the City of Los Angeles, City may withhold the payment of Rent under Section 4.1 and any additional rent where Landlord fails to have a Federal Tax Identification Number and a currently valid Business Tax Registration Certificate ("**BTRC**") or, where applicable, a valid Vendor Registration Number ("**VRN**") issued by the City Clerk of the City of Los Angeles pursuant to Los Angeles Municipal Code section 21.00, et seq. Such withholding of Rent does not relieve City from its obligation to pay such Rent, but City may withhold, without penalty or interest, all payments of Rent until Landlord has obtained a valid BTRC or VRN, after which City shall retroactively pay all Rent due and owing within sixty (60) days after notice from Landlord containing proof of registration and an itemized invoice of the Rent due. If Landlord is not legally required to possess either a BTRC or a VRN, this Section 4.2 shall not apply; provided, however, the burden of proof shall be on Landlord to establish such non-applicability.

4.3. **Parking.** At no additional cost to City, Landlord gives to City and City's authorized representatives and invites the nonexclusive right to use the common area parking area, with others who are entitled to use the common areas.

### ARTICLE 5. USE

5.1. **Use.** The Premises may be used as Tenant's administrative offices to support the Neighborhood Council services to be provided to the community, or similar uses.

5.2. **Signage.** City may place signs on the exterior windows, doors, or walls of the Premises identifying the nature of the services being provided within the Premises. Such signs are subject to the approval of Landlord, which approval shall not be unreasonably withheld or delayed. All signs, emblems, seals, logos, insignia, or other items containing the seal of the City of Los Angeles or otherwise indicative of the City of Los Angeles must be returned to City (or, where applicable, destroyed) upon termination of this Lease. Notwithstanding the above, no sign shall be placed on the Building, in the Building or on or around the Building which identifies any person, company or entity

which is engaged in the promotion, manufacture and/or distribution of materials or literature which is generally considered to be sexually explicit, pertains to the use of illegal drugs, or is considered to be anti-law enforcement.

## ARTICLE 6. UTILITIES

6.1. **Utilities And Custodial Services.** Landlord shall provide all utilities and custodial services to the Premises at no additional cost to City.

6.2. **HVAC.** During the Term, Landlord shall, at Landlord's cost, furnish to the Premises heat, ventilation, and air conditioning ("HVAC") reasonably required for the comfortable use and occupation of the Premises.

## ARTICLE 7. REPAIRS AND MAINTENANCE

7.1. **Repairs And Maintenance.** Landlord shall keep and maintain the Premises and any common area of the Building in good condition and repair during the entire Term of this Lease. Landlord shall perform all required maintenance to the plumbing, electrical, and HVAC systems serving the Premises at Landlord's sole cost, including replacement of parts as necessary, and will indemnify City for all damages to the property of City if due to the negligence of Landlord, or its employees or agents, in performing such repairs or maintenance.

7.1.1. **Landlord's Responsibilities.** It is Landlord's responsibility to provide a Building, which is fully accessible to and usable by individuals with disabilities and otherwise in compliance with the Americans With Disabilities Act ("ADA"). Landlord shall be responsible, at its own cost, to make such modifications, additions, or changes to the Premises as are required for compliance with the ADA or other laws applicable to the disabled as defined within those laws.

7.2. **Limitations On Article.** Nothing in this Article 7 shall be construed to:

7.2.1. Require Landlord to forego or waive any exemption or other relief afforded it under the provisions of the ADA, so long as granting of such relief does not result in the shifting of responsibility for complying with the ADA to the City;

7.2.2. Require Landlord to take any action that would threaten or destroy the historic significance of an historic property;

7.2.3. Require Landlord to provide to individuals with disabilities personal devices, such as wheelchairs; individually prescribed devices, such as prescription eyeglasses or hearing aids; readers for personal use or study; or services of a personal nature including assistance in eating, toileting, or dressing; or

7.2.4. Necessarily require Landlord to make any other portion of the Building accessible to and usable by individuals with disabilities.

## ARTICLE 8. HAZARDOUS MATERIALS

8.1. **No Hazardous Materials.** Landlord hereby represents to City that there are no Hazardous Materials in the Building or the real property upon which Building is situated. Except as otherwise expressly provided in this Lease, Landlord shall be responsible for the removal or encapsulation of any Hazardous Materials as necessary to comply with all applicable laws, codes, regulations, and ordinances and the requirements of the Environmental Protection Agency and any other regulatory agency having jurisdiction.

8.1.1. **Hazardous Materials - Defined.** The phrase "Hazardous Materials" as used in this Lease shall mean any product, substance, chemical, material, or waste whose presence, nature, quality, and/or intensity of existence, use, manufacture, disposal, transportation, spill, release, or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (a) potentially injurious to the public health, safety, or welfare, the environment, or the Premises, (b) regulated or monitored by any governmental authority, or (c) a basis for liability of Landlord to any governmental agency or third party under any applicable statute or

common law theory. Hazardous Materials shall include, but not be limited to, hydrocarbons, petroleum, gasoline, crude oil, or any products, by-products, or fractions thereof.

#### ARTICLE 9. ASSIGNMENT

9.1. **No Assignment.** Neither the Premises nor any portion thereof shall be assigned or sublet without the consent of Landlord, however City, acting by and through its Department of Neighborhood Empowerment, may permit other City of Los Angeles Neighborhood Councils to use and occupy the Premises subject to the permitted uses as described in Section 5.1 of this Lease.

#### ARTICLE 10. INDEMNIFICATION AND WAIVER OF SUBROGATION

10.1. **Indemnification.** City shall indemnify and hold harmless Landlord from and against any and all claims arising from the acts or omissions of City or any of its officers, agencies, employees, contractors, or licensees in the occupancy or use of the Premises for the conduct of City business. Landlord agrees to promptly notify City of any claims for which City may be liable under this Section. City may at its option but under no obligation defend Landlord. Landlord shall indemnify City and hold harmless City from and against any and all claims or liabilities arising from the acts or omissions of Landlord or any of its officers, employees, licensees, or contractors. City agrees to promptly notify Landlord of any claim for which Landlord may be liable under this Section and Landlord may at its option but under no obligation defend City.

10.2. **Waiver Of Subrogation.** Each party hereto agrees to waive its rights of recovery against the other for any physical damage it may sustain to the extent that such damage is covered by valid and collectible property insurance. Each party will notify its respective insurers of such agreement.

#### ARTICLE 11. DEFAULT

11.1. **Default By City.** If default shall be made in any of the covenants herein agreed to be kept or performed by City, and such default shall continue for sixty (60) days after written notice to City, this Lease may be terminated by Landlord; provided, however, that any delay in payment of Rent due to delay in accounting, financial or budgetary procedures by City shall not be deemed a default unless such delay shall continue thirty (30) days or more from the date such payment was due.

#### ARTICLE 12. ORDINANCE MANDATED PROVISIONS

12.1. **Child Support Assignment Orders.** This Lease is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders, a copy of which is attached hereto beginning on [page A-1](#) in Exhibit A and by this reference incorporated herein. Pursuant to this Section, Landlord (and any subcontractor of Landlord providing services to City under this Lease) shall (.1) fully comply with all State and Federal employment reporting requirements for Landlord's or Landlord's subcontractor's employees applicable to Child Support Assignment Orders; (.2) certify that the principal owner(s) of Landlord and applicable subcontractors are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (.3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230, et seq.; and (.4) maintain such compliance throughout the Term of this Lease. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of Landlord or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Landlord or applicable subcontractors to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Lease subjecting this Lease to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Landlord by City.

## 12.2. **Non-Discrimination In Employment.**

12.2.1. **General Provision** Landlord agrees and obligates itself in the performance of this Lease not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition.

12.2.2. **Equal Employment Practices.** This Lease is a contract with or on behalf of the City of Los Angeles for which the consideration is \$1000.00 or more. Accordingly, during the performance of this Lease, Landlord further agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("**Equal Employment Practices**"), a copy of which is attached hereto beginning on [page A-8](#) in Exhibit A and by this reference incorporated herein. By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Landlord to comply with the Equal Employment Practices provisions of this Lease may be deemed to be a material breach of this Lease. 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 Landlord. Upon a finding duly made that Landlord has failed to comply with the Equal Employment Practices provisions of this Lease, this Lease may be forthwith terminated.

12.2.3. **Equal Benefits Provisions.** This Lease is subject to Section 10.8.2.1, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code ("**Equal Benefits Provisions**") related to equal benefits to employees, a copy of which is attached hereto beginning on [page A-3](#) in Exhibit A and by this reference incorporated herein. Landlord agrees to comply with the provisions of Section 10.8.2.1. By way of specification but not limitation, pursuant to Section 10.8.2.1.c of the Los Angeles Administrative Code, the failure of Landlord to comply with the Equal Employment Practices provisions of this Lease may be deemed to be a material breach of this Lease. 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 Landlord. Upon a finding duly made that Landlord has failed to comply with the Equal Employment Practices provisions of this Lease, this Lease may be forthwith terminated.

12.3. **Slavery Disclosure Ordinance.** This Lease is subject to the applicable provisions of the Slavery Disclosure Ordinance. ("**SDO**") (Section 10.41, et seq, of the Los Angeles Administrative Code), a copy of which is attached hereto starting on [page A-9](#) in Exhibit A. Unless otherwise exempt in accordance with the provision of this Ordinance, Landlord certifies that it has complied with the applicable provisions of the Ordinance. Under the provisions of Section 10.41.2(b) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Lease and otherwise pursue legal remedies that may be available to City if City determines that the Landlord failed to fully and accurately complete the SDO affidavit or otherwise violated any provision of the SDO.

12.4. **Ordinance Language Governs.** Exhibit A is provided as a convenience to the parties only; in the event of a discrepancy between Exhibit A and the applicable ordinance language, as amended, the language of the ordinance shall govern.

## ARTICLE 13. MISCELLANEOUS PROVISIONS

13.1. **Access By Landlord.** City agrees that Landlord, its agents or employees may enter upon Premises at any reasonable time during the Term, with prior notice to City, for the purposes of inspection, taking measurements, and doing similar work necessary for the preparation of plans for construction of improvements on the Premises, with the understanding that such work will be performed in such a manner as to cause a minimum of interference with the use of the property by City.

13.2. **Accord And Satisfaction.** No payment by City or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease. City agrees that each of the foregoing

covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by any statute or at common law.

13.3. **Capacity Of City As Tenant.** Except where clearly and expressly provided otherwise in this Lease, the capacity of the City of Los Angeles in this Lease shall be as a tenant, and any obligations or restrictions imposed by this Lease on City shall be limited to that capacity and shall not relate to or otherwise affect any activity of the City of Los Angeles in its governmental capacity, including, but not limited to, the enactment of laws, inspection of structures, issuance of permits, or any other enforcement functions of the City of Los Angeles pursuant to Federal, state, or local law.

13.4. **Captions And Table Of Contents.** The captions and table of contents contained in this Lease are for convenience and reference only, are not intended to define or limit the scope of any provisions of this Lease, and shall not be used with respect to the interpretation of any provision of this Lease.

13.5. **Governing Law And Venue.** This Lease will be governed by the law of the State of California and will be construed and interpreted according to that law. Venue on any action arising out of this Lease will be proper only in the County of Los Angeles, State of California.

13.6. **Quiet Possession.** Upon City paying the Rent required hereunder and observing and performing all of the covenants, conditions and provisions on City's part to be observed and performed hereunder, City shall have quiet possession of the Premises for the entire Term hereof, subject to all the provisions of this Lease.

13.7. **Reasonable Consent.** Except as limited elsewhere in this Lease, wherever in this Lease Landlord or City is required to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld. In the event of failure to give any such consent, the other party shall be entitled to specific performance at law and shall have such other remedies as are reserved to it under this Lease, but in no event shall Landlord or City be responsible in monetary damages for failure to give consent unless such consent is withheld maliciously or in bad faith.

13.8. **Removal of Property.** All articles of personal property and all business and trade fixtures, machinery and equipment, furniture and movable partitions owned by City or installed by City at its expense in the Premises shall be and remain the property of City and may be removed by City at any time during the Term when City is not in default hereunder.

13.9. **Severability/Entire Agreement.** Any provision of this Lease, which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof any such other provisions shall remain in full force and effect. This Lease and the Exhibits attached hereto constitute the entire agreement between the parties hereto with respect to the subject matter hereof, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or supplemented except by an agreement in writing signed by the parties hereto or their successor in interest.

13.10. **Taxes.** Landlord shall pay all taxes or assessments levied upon real property containing the Premises, but shall not be liable for any taxes or assessments levied against the personal property or fixtures of City. Property owned by City, as a governmental entity is exempt from state taxation under California Revenue and Taxation Code section 202(a)(4) and Section 3(b) of Article XIII of the California Constitution. In the event any or all of City's tenant improvements, equipment, furniture, fixtures and personal property shall be assessed with the Building, Landlord shall immediately notify City and City shall cause such property to be separately assessed to City.

13.11. **Time.** Time is of the essence with respect to the performance of every provision of this Lease in which time or performance is a factor. All references in this Lease to "**days**" shall mean calendar days unless specifically modified herein to be "business" or "working" days.

13.12. **Waiver.** Waiver by Landlord or City of any of the provisions or conditions contained herein shall not be deemed a continuing waiver.

**IN WITNESS WHEREOF**, \_\_\_\_\_, Landlord herein, and the City of Los Angeles, a municipal corporation, acting by and through its Department of Neighborhood Empowerment, Tenant herein, have both executed this lease. Execution of this lease by the Tenant, City of Los Angeles, shall be deemed to have occurred after the Los Angeles City Council has approved the lease, the City Clerk has signed/attested to same, and the General Manager of the Department of Neighborhood Empowerment has signed, dated, and delivered the lease to Landlord. If the space provided in Section 1.1 of this Lease is blank the General Manager of the Department of Neighborhood Empowerment may enter a date in such space for reference purposes, although the effective date of the lease shall remain the date it is executed by the Tenant, City of Los Angeles, as set forth above

**APPROVED AS TO FORM AND LEGALITY:**

ROCKARD J. DELGADILLO, City Attorney

By: \_\_\_\_\_  
Thomas Griego  
Deputy City Attorney

DATE: \_\_\_\_\_

**ATTEST:**

JUNE LAGMAY, City Clerk

By: \_\_\_\_\_  
Deputy

DATE: \_\_\_\_\_

**CITY:**

CITY OF LOS ANGELES, a municipal corporation, acting by and through its DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT

By: \_\_\_\_\_  
BongHwan Kim  
General Manager

DATE: \_\_\_\_\_

**LANDLORD:**

LEGAL NAME, Owner

By: \_\_\_\_\_  
\_\_\_\_\_ of  
\_\_\_\_\_

DATE: \_\_\_\_\_

\_\_\_\_\_ **NEIGHBORHOOD COUNCIL**  
Representative

By: \_\_\_\_\_  
\_\_\_\_\_, President

DATE: \_\_\_\_\_

Council File No. \_\_\_\_\_  
Council Approval: \_\_\_\_\_  
Contract No. \_\_\_\_\_


# EXHIBIT 1.: CITY ORDINANCES

## CHILD SUPPORT ASSIGNMENT ORDERS ORDINANCE

### Los Angeles Administrative Code (Applicable portions)

#### Sec. 10.10 Child Support Assignment Orders.

##### a. Definitions.

1. **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  behalf of the City of Los Angeles.

2. **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 the rendering of any service to the City of Los Angeles or to the public which is let, awarded, or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.



3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.

##### b. Mandatory Contract Provisions.

Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor

Within 30 days of the operative date of this ordinance  City, through its operating department,  shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that

or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code Section 5230 et seq. and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to 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 Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

##### c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

##### d. Current Contractor Compliance.

the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code



Sec. 5230 et seq. and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

#### **ARTICLE HISTORY**

*Added by Ord. No. 172,401, eff. 2-13-99*

## **NON-DISCRIMINATION IN EMPLOYMENT**

### **LOS ANGELES ADMINISTRATIVE CODE**

Division 10, Chapter 1, Article 1

#### **Sec. 10.8.1. Definitions.**

The following definitions shall apply to the following terms used in this article:

**"Awarding Authority"** means any Board or Commission of the City of Los Angeles, or any authorized employee or officer of the City of Los Angeles, including the Purchasing Agent of the City of Los Angeles, who makes or enters into any contract or agreement for the provision of any goods or services of any kind or nature whatsoever for or on behalf of the City of Los Angeles.

**"Contract"** means any agreement, franchise, lease, or concession, including agreements for any occasional professional or technical personal services, for the performance of any work or service, the provision of any materials or supplies, or the rendition of any service to the City of Los Angeles or to the public, which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

**"Contractor"** means any person, firm, corporation, partnership, or any combination thereof, who submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

**"Employment Practices"** means any solicitation of, or advertisement for, employees, employment, change in grade or work assignment, assignment or change in place or location of work, layoff, suspension, or termination of employees, rate of pay or

other form of compensation including vacation, sick and compensatory time, selection for training, including apprenticeship programs, any and all employee benefits and activities, promotion and upgrading, and any and all actions taken to discipline employees for infractions of work rules or employer requirements.

**"Office of Contract Compliance"** is that office of the Department of Public Works of the City of Los Angeles created by Article X of Chapter 13 of Division 22 of the Los Angeles Administrative Code.

**"Subcontractor"** means any person, firm or corporation or partnership, or any combination thereof who enters into a contract with a contractor to perform or provide a portion or part of any contract with the City.

#### **SECTION HISTORY**

*Amended by: Ord.No. 147,030, Eff. 4-28-75; Definition, "Affirmative Action", Ord.No. 164,516, Eff. 4-13-89; Definition, "Affirmative Action", Ord.No. 168,244, Eff. 10-18-92; Ord.No. 173,186, Eff. 5-22-00.*

#### **Sec. 10.8.1.1. Summary of Thresholds.**

The following thresholds will be used to determine the non-discrimination and affirmative action requirements set forth in this Chapter for each type of contract.

**Non-discrimination Practices** as outlined in Section 10.8.2 of this Code, apply to all contracts.

**Equal Employment Practices** as outlined in Section 10.8.3 of this Code, apply to all construction contracts of \$1,000 or more and all non-construction contracts of \$1,000 or more.

**Affirmative Action Program** as outlined in Sections 10.8.4. and 10.13 of this Code, applies to all Construction Contracts of \$5,000 or more and all non-Construction Contracts of \$100,000 or more.

#### **SECTION HISTORY**

*Added by: Ord. No. 173,186, Eff. 5-22-2000.*

**Sec. 10.8.2. All Contracts: Non-discrimination Clause.**

Notwithstanding any other provision of any ordinance of the City of Los Angeles to the contrary, every contract which is let, awarded, or entered into with or on behalf of the City of Los Angeles, shall contain by insertion therein a provision obligating the contractor in the performance of such contract not to discriminate in his or her employment practices against any employee or applicant for employment because of the applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition. All contractors who enter into such contracts with the City shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with 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.

**SECTION HISTORY**

*Amended by: Ord. No. 147,030, Eff. 4-28-75; Ord. No. 164,516, Eff. 4-13-89; Ord. No. 168,244, Eff. 10-18-92; Ord. No. 172,910, Eff. 1-9-00; Ord. No. 173,186, Eff. 5-22-00.*

**Sec. 10.8.2.1. Equal Benefits Ordinance.  
Legislative Findings.**

The City awards many contracts to private firms to provide services to the public and to City government. Many City contractors and subcontractors perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City holds a proprietary interest in the work

a. **All Contracts: Equal Benefits Clause.** No awarding authority of the City, shall execute or amend any contract with any contractor that discriminates in the provision of bereavement leave, family medical leave, health benefits, membership or membership

performed by many employees employed by City contractors and subcontractors. In a very real sense, the success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses.

Discrimination in the provision of employee benefits between employees with domestic partners and employees with spouses results in unequal pay for equal work. Los Angeles law prohibits discrimination based on marital status and/or sexual orientation. The City's departments and contracting agents are required to place in all City contracts a provision that the company choosing to do business with the City agrees to comply with the City's nondiscrimination laws.

It is the City's intent, through the contracting practices outlined in this Ordinance, to assure that those companies choosing to do business with the City will equalize the total compensation between similarly situated employees with spouses and with domestic partners. The provisions of this Ordinance are designed to insure that the City's contractors will maintain a competitive advantage in recruiting and retaining capable employees, thereby improving the quality of the goods and services the City and its people receive, and insuring protection of the City's property.

discounts, moving expenses, pension and retirement benefits or travel benefits as well as any other benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with

a governmental entity pursuant to state or local law authorizing such registration, or an internal registry maintained by the contractor, subject to the provisions of this section. In the event that the contractor's actual cost of providing a certain benefit for the domestic partner of an employee exceeds that of providing it for the spouse of an employee, or the contractor's actual cost of providing a certain benefit for the spouse of an employee exceeds that of providing it for the domestic partner of an employee, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor conditions providing such benefit upon the employee agreeing to pay the excess costs. In addition, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor provides the employee with a cash equivalent to the direct expense to the employer of providing the benefit payment to a spouse or domestic partner, as applicable.

b. **Applicability.** The requirements of this Section shall apply to

(I) any of a contractor's operations within the City of Los Angeles; and

(ii) a contractor's operations on real property outside of the City of Los Angeles owned by the City or which the City has a right to occupy if the contractor's presence at that location is connected to a contract with the City;

(iii) a contractor's operations elsewhere in the United States where the work is being performed for the City.

c. **Mandatory Provisions Pertaining to Equal Benefits.** Every contract with or on behalf of the City of Los Angeles for which the consideration is in excess of \$5,000 shall

“D. Upon a finding duly made that the contractor has breached the Equal

contain the following provisions which shall be designated as the Equal Benefits Provisions of such contract:

"A. During the performance of this contract, the contractor certifies and represents that the contractor will provide equal benefits to its employees with spouses and its employees with domestic partners.

1. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

“B. The 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 to the awarding authority or the City Administrative Officer, for the purpose of investigation to ascertain compliance with the Equal Benefits Provisions of this contract, and on their or either of their request to provide evidence that it has complied or will comply therewith.

“C. The failure of any contractor to comply with the Equal Benefits Provisions of this contract may be deemed to be a material breach hereof. 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 City Administrative Officer. 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 the contractor.

Benefits Provisions of this contract, this 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 of Los Angeles. 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 pursuant to the provisions of Section 386 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 of Los Angeles for a period of two years, or until it shall establish and carry out a program in conformance with the provisions hereof.

“E. Notwithstanding any other provisions of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

“F. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

“G. The equal benefits requirements of this Section shall not apply to collective bargaining agreements in effect prior to the effective date of Section 10.8.2.1 of the Los Angeles Administrative Code. Amendments, extensions or other modifications of such collective bargaining agreements, occurring subsequent to the effective date of that section, shall incorporate the equal benefits requirements of that section.”

“H. 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.”

d. **Enforcement.** In accordance with Division 22, Chapter 13, Article 10, of this Code, the City Administrative Officer is responsible for the enforcement of the equal benefits requirements, as referenced in this section, or as otherwise required, of all City contracts. In enforcing this requirement, the City Administrative Officer will monitor, inspect, and investigate to insure that the contractor is acting in compliance with the equal benefits requirements of such City contracts. The City Administrative Officer shall promulgate rules and regulations and forms for the implementation of the Equal Benefits Provisions of this contract. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program. Each awarding authority shall cooperate to the fullest extent with the City Administrative Officer in their enforcement activities. The failure of any contractor to comply with the equal benefits provisions of a contract may be deemed to be a material breach of the contract.

e. **Non-applicability, Exceptions and Waivers.**

(1) The City Administrative Officer shall waive the requirements of this Section under the following circumstances:

A. Whenever the City Administrative Officer finds, upon the advice of the awarding authority, that there is only one prospective contractor willing to enter into a contract with the City for use of City property on the terms and conditions established by the City, or that the needed goods, services, construction services for a public work or improvement, or interest in or right to use real property are available only from a sole source, and the prospective contractor is not currently disqualified from doing business with the City, or from doing business with any governmental agency based on any contract compliance requirements;

B. If the awarding authority certifies in writing to the City Administrative Officer that the contract is necessary to respond to an emergency which endangers the public health or safety and no entity which complies with the requirements of this Section capable of responding to the emergency is immediately available; provided that such certification must be made prior to the final approval of the contract.

C. Where the City Attorney certifies in writing to the City Administrative Officer that the contract involves specialized litigation requirements such that it would be in the best interests of the City to waive the requirements of this section.

(2) This Section shall not apply where the prospective contractor is a public entity and the City Administrative Officer finds that goods, services, construction services for a public work or improvement or interest in or

right to use real property of comparable quality or accessibility as are available under the proposed contract are not available from another source, or that the proposed contract is necessary to serve a substantial public interest;

(3) This Section shall not apply where the awarding authority finds that the requirements of this Section will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement, provided that the awarding authority has made a good faith attempt to change the terms or conditions of any such grant, subvention or agreement to authorize application of this section.

(4) Upon the request of a potential contractor or upon the awarding authority's own initiative, after taking all reasonable measures to find an entity that complies with the law, and subject to the provisions of Paragraph (5) below, the awarding authority may waive any or all of the requirements of this Section for any contract or bid package advertised and made available to the public, or any competitive or sealed bids received by the City as of the date of the enactment of this ordinance under the following circumstances:

A. Where the awarding authority determines that there are no qualified responsive bidders or prospective contractors who could be certified as being in compliance with the requirements of this Section and that the contract is for goods, a service or a project that is essential to the City or City residents; or

B. Where the awarding authority determines that transactions entered into pursuant to bulk purchasing arrangements through federal, state or regional entities which actually reduce the City's purchasing costs would be in the best interests of the City; or

C. Where the awarding authority determines that the requirements of this Section would result in the City's entering into a contract with an entity that was set up, or is being used, for the purpose of evading the intent of this section, which is to prohibit the City from entering into contracts with entities that discriminate based on the criteria set forth in this section.

(5) The waiver authority granted to awarding authorities in this Section shall be subject to the requirements that:

A. All proposed waivers must be submitted to the City Administrative Officer and the City Clerk. All proposed waivers must set forth the reasons the contracting officer is requesting the waiver, what steps were taken to find an entity that complies with this Section and why the waiver does not defeat the intent of this section, which is to prohibit the City from entering into contracts with entities that discriminate based on the criteria set forth in this section. Such waivers shall be subject to the prior approval of the City Administrative Officer, which shall take action approving or denying a proposed waiver within 30 days of receiving a notification of a proposed waiver from a contracting officer. If after 30 days the City Administrative Officer has taken no action on the proposed waiver the waiver shall

(ii) City moneys invested in U.S.

be deemed approved. The City Clerk shall notify all Council members of the proposed waiver.

B. For any contract subject to approval by the Council, the awarding authority shall state in the approving resolution or other action whether any waiver under this Section has been or is proposed to be granted for that contract; and

C. The City Administrative Officer shall conduct quarterly comprehensive reviews of the use of the waiver authority by awarding authorities and shall make a report to the Council. Awarding authorities which have exercised their waiver authority under this Section in the previous quarter must appear before the Council Committee before which the matter is calendared and report on the use of such waiver authority. If the Council finds abuse of waiver authority by an awarding authority under this section, either as a result of a report of the City Administrative Officer or upon its own initiative, the Council may by resolution transfer that waiver authority for that awarding authority to the City Administrative Officer, to be exercised by the City Administrative Officer upon recommendation of the awarding authority under any or all of the circumstances enumerated in this section.

(6) Nothing in this Section shall limit the right of the City to waive the provisions of this article.

(7) This Section shall not apply to

(I) the investment of trust moneys or agreements relating to the management of trust assets,

government securities or under pre-

existing investment agreements, or

(iii) the investment of City moneys where the Treasurer finds that:

A. No person, entity or financial institution doing business in the City which is in compliance with this Section is capable of performing the desired transaction(s); or

B. The City will incur a financial loss which in the opinion of the Treasurer would violate his or her fiduciary duties.

This subparagraph shall be subject to the requirement that City moneys shall be withdrawn or divested at the earliest possible maturity date if deposited or invested with a person, entity or financial institution other than the U.S. government which does not comply with this section.

(8) The General Manager of the Department of Water and Power may waive the requirements of this Section where the contractor is providing wholesale or bulk water or power, the conveyance or transmission of same, or ancillary services such as spinning reserve, voltage control, or load scheduling, as required for assuring reliable services in accordance with good utility practice, to or on behalf of the Department of Water and Power; provided that the purchase of same may not practically be accomplished through the City's standard competitive bidding procedures; and further provided that this exemption shall not apply to contractors or franchisees providing direct, retail services to end users within the City of Los Angeles.

(9) The equal benefits requirements of this

A. During the performance of this contract, the contractor certifies and represents that it will provide equal employment practices and the

Section shall not apply to any contracts, executed or amended prior to January 1, 2000 or to bid packages advertised and made available to the public, or any competitive or sealed bids received by the City, prior to January 1, 2000, unless and until such contracts are amended after January 1, 2000, and would otherwise be subject to this section.

f. The provisions of this Section shall not apply where the application of these provisions would violate or be inconsistent with the laws, rules or regulations of the United States of America.

**g. Severability.**

If any provision of this Section is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.


**SECTION HISTORY**

*Added by Ord. No. 172,908, Eff. 1-9-2000; amended by: Ord. No. 173,054, Eff. 2-27-00; Para. Preceding Subdiv. (a) Added, Ord. No. 173,058, Eff. 3-4-00; Sec. Number, Ord. No. 173,142, Eff. 3-30-00.*

**Sec. 10.8.3. Equal Employment Practices Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

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  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. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to 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, the contractor shall certify in the specified format that

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or

her 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. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the 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 the contractor. In part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure 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 Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an

L. 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

awarding authority of the City to accomplish this contract compliance program

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, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for nonapprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

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.

## **SECTION HISTORY**

*Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraph C., Ord. No. 168,244, Eff. 10-18-92; Ord.No. 173,186, Eff. 5-22-00.*

# SLAVERY DISCLOSURE ORDINANCE

## LOS ANGELES ADMINISTRATIVE CODE

*Division 10, Chapter 1, Article 15*

### Sec. 10.41. Definitions.

(a) "**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.

(b) "**Company**" means any person, firm, corporation, partnership or combination of these.

(c) "**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.

(d) "**Designated Administrative Agency (DAA)**" means the Contract Enforcement Section of the Office of the City Administrative Officer.

(e) "**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.

(f) "**Investment**" means to make use of an Enslaved Person for future benefits or advantages.

(g) "**Participation**" means having been a Slaveholder during the Slavery Era.

(h) "**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.

(i) "**Profits**" means any economic advantage or financial benefit derived from the use of Enslaved Persons.

(j) "**Slavery**" means the practice of owning Enslaved Persons.

(k) "**Slavery Era**" means that period of time in the United States of America prior to 1865.

(l) "**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.

(m) "**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.

### SECTION HISTORY

*Added by Ord. No. 175,346, Eff. 10-15-03.*

### Sec. 10.41.1. Purpose of Slavery Era Business Corporate / Insurance Disclosure.

Many early American industries including, but not limited to, insurance, banking, tobacco, cotton, railroads, and shipping, realized enormous Profits by utilizing the uncompensated labor of Enslaved Persons. Many individuals and business enterprises were directly enriched by the labor of Enslaved Persons or benefited from insurance policies insuring Enslaved Persons.

The City of Los Angeles, whose citizenry includes descendants of Enslaved Persons, is entitled to full disclosure of any Participation in or Profits derived through Slavery by Companies seeking to do business with the City.

The State of California has implemented Insurance Code Sections 13810-13813 requiring insurance companies to provide information to the California Department of Insurance regarding Slaveholder Insurance Policies sold during the Slavery Era as part of its licensing and renewal procedure.

In further support of this legislative act and to further promote the ideals the act embraces, this ordinance requires those seeking to do business with the City to fully and accurately disclose any and all Participation in or Profits derived from Slavery.

### SECTION HISTORY

*Added by Ord. No. 175,346, Eff. 10-15-03.*

### Sec. 10.41.2.

Each Awarding Authority, shall require that any Company that enters into a Contract with the City, whether the Contract is subject to competitive bidding or not, shall complete an affidavit, prior to or contemporaneous with entering into the Contract, certifying that:

(a) The Company 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

(b) Disclosed 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.

The Awarding Authority may terminate the Contract if a Company fails to fully and accurately complete the affidavit.

### **SECTION HISTORY**

*Added by Ord. No. 175,346, Eff. 10-15-03.*

### **Sec. 10.41.3. Exceptions.**

This article shall not be applicable to the following Contracts:

(a) Contracts for the investment of: (1) City trust moneys or bond proceeds; (2) pension funds; (3) indentures, security enhancement agreements for City tax-exempt and taxable financings; (4) deposits of City surplus funds in financial institutions; (5) the investment of City moneys in securities permitted under the California State Government Code and/or the City's investment policy; (6) investment agreements, whether competitively bid or not; (7) repurchase agreements; (8) City moneys invested in United States government securities; and (9) 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.

(b) 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.

(c) 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.

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(d) Contracts awarded on the basis of exigent circumstances whenever any Awarding Authority finds that the City would suffer a financial loss or that City operations would be adversely impacted unless exempted from the provisions of this article. This finding must be approved by the DAA prior to Contract execution.

(e) 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).

(f) Contracts for the furnishing of articles covered by letters patent granted by the government of the United States or where the goods or services are proprietary or only available from a single source.

(g) Contracts awarded on the basis of urgent necessity in accordance with Charter Section 371(e) (5).

(h) Contracts entered into pursuant to Charter Section 371 (e) (6).

(i) Contracts entered into pursuant to Charter Section 371 (e) (7).

### **SECTION HISTORY**

*Added by Ord. No. 175,346, Eff. 10-15-03.*

### **Sec. 10.41.4. Administration.**

(a) The DAA shall promulgate rules and regulations to implement this article within sixty days after the effective date of this ordinance.

(b) The DAA shall develop an affidavit to be used by Awarding Authorities within sixty days after the effective date of this ordinance.

(c) The DAA shall administer the requirements of this article and monitor compliance, including investigation of alleged violations.

### **SECTION HISTORY**

*Added by Ord. No. 175,346, Eff. 10-15-03.*

### **Sec. 10.41.5 Application of this Article.**

(a) This article shall be applicable to Contracts entered into after the rules and regulations have been promulgated by the DAA.

(b) This article shall be applicable to Contract amendments entered into after the rules and regulations have been promulgated by the DAA where the initial Contract was not subject to the provisions of this article.

### **SECTION HISTORY**

*Added by Ord. No. 175,346, Eff. 10-15-03.*