

LADF

LOS ANGELES DEVELOPMENT FUND

Meeting *of the*
Governing Board of Directors *of*
The Los Angeles Development
Fund *and* LADF Management, Inc.

October 12, 2023

**MEETING OF THE
GOVERNING BOARD OF DIRECTORS OF THE
LOS ANGELES DEVELOPMENT FUND AND LADF MANAGEMENT, INC.
October 12, 2023**

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3	Materials regarding Discussion A and B: LADF Pipeline Update
4	Materials regarding Discussion C: LADF Advisory Board Roster Review
5	Materials regarding Discussion D: LADF Capital Investment Program Update
6	Materials regarding Action item C: Requesting approval for LADF staff to issue an RFP to identify a loan servicing firm for the LADF JEDI Microloan Program. LADF staff will review the responses to the RFP and report their recommendations to the governing board.
7	Materials regarding Action item D: Request for Authorization to extend Purchase Order contract with Josephine Diaz for Accounting Services through September 30, 2025 on as-needed basis at an hourly rate of \$90.00

Tab 1

A G E N D A

**MEETING of the
GOVERNING BOARD OF DIRECTORS of THE LOS ANGELES DEVELOPMENT FUND and LADF
MANAGEMENT, INC.**

**MEETING IN PERSON
City Hall, ROOM 1050
200 N Spring St, Los Angeles, CA 90012
Thursday, October 12, 2023 | 02:30pm – 4:00pm**

	AGENDA ITEM	PRESENTER	TAB
	Welcome and Call to Order	Carolyn Hull	
	Roll Call	Sandra Rahimi	
1	Approval of minutes for Board Meeting(s) on: a. September 14, 2023	Carolyn Hull	Tab 2
2	Discussion Item(s): a. Pipeline Project Presentation: Angel Food b. LADF Pipeline Update c. LADF Advisory Board Roster Review d. LADF Capital Investment Program Update	Project Rep. Sandra Rahimi Sandra Rahimi Sandra Rahimi	Tab 3 Tab 3 Tab 4 Tab 5
3	Action Item(s): a. Request for Authorization of LADF staff to issue a Letter of Interest to the Angel Food project for providing up to \$10 Million of New Markets Tax Credit Allocation. LADF will have the option to rescind the Letter of Interest if the sponsor cannot provide evidence that all leverage sources are identified and committed by March 29, 2024. LADF will also have the option to rescind the Letter of Interest if the proposed transaction has not closed by April 30, 2024. b. Request for Authorization of LADF staff to issue a Letter of Interest to the Hollywood Arts Second Phase project for providing up to \$4 Million of New Markets Tax Credit Allocation. LADF will have the option to rescind the Letter of Interest if the sponsor cannot provide evidence that all leverage sources are identified and committed by February 29, 2024. LADF will also have the option to rescind the Letter of Interest if the proposed transaction has not closed by March 29, 2024. c. Requesting approval for LADF staff to issue an RFP to identify a loan servicing firm for the LADF JEDI Microloan Program. LADF staff will review the responses to the RFP and report their recommendations to the governing board. d. Request for Authorization to extend Purchase Order contract with Josephine Diaz for Accounting Services through September 30, 2025 on as-needed basis at an hourly rate of \$90.00 e. Request for Authorization to renew NMTC Coalition membership at a cost of \$750.	Carolyn Hull	Tab 6 Tab 7
4	Request for Future Agenda Item(s) a. LADF governing board to create an Employee Insurance Policy	Carolyn Hull	
5	Next Meeting Date and Time of Governing Board a. Thursday, November 14, 2023, 2:30pm – 4:00pm	Carolyn Hull	
	Public Comment	Carolyn Hull	
	Adjournment	Carolyn Hull	

The LADF's Board Meetings are open to the public. Accommodations such as sign language interpretation and translation services can be provided upon 72 hours notice. Contact LADF @ (213) 808-8959. **PUBLIC COMMENT AT LADF BOARD MEETINGS** – An opportunity for the public to address the Board will be provided at the conclusion of the agenda. Members of the public who wish to speak on any item are requested to identify themselves and indicate on which agenda item they wish to speak. The Board will provide an opportunity for the public to speak for a maximum of three (3) minutes, unless granted additional time at the discretion of the Board. Testimony shall be limited in content to matters which are listed on this Agenda and within the subject matter jurisdiction of the LADF. The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda.

Tab 2

LOS ANGELES DEVELOPMENT FUND
MINUTES OF THE MEETING OF THE GOVERNING BOARD OF LADF AND LADF MANAGEMENT, INC.
THURSDAY September 14, 2023

MEETING IN PERSON
(City Hall, Room 1060
200 N Spring St, Los Angeles, CA 90012)

LADF STAFF PRESENT:

- Sandra Rahimi
- Jiaqi Wu

WELCOME AND CALL TO ORDER – Los Angeles Development Fund (LADF) Director Hull called the meeting to order at **2:36pm**.

ROLL CALL

The following Governing Board directors were present at the meeting:

- Director Hull (*Chairperson*)
- Director Kalfayan
- Director Chavez
- Director Sewill

A QUORUM WAS PRESENT

The following Advisory Board directors were present at the meeting:

- Director Volpert
- Director Thrash-Ntuk

1. Approval of Minutes for Board Meeting(s) on:

a. July 12nd, 2023

- Moved by Director Kalfayan. Seconded by Director Sewill.
- Roll Call: AYES: 4; NOS: 0; ABSENT: 1; ABSTAIN: 0; APPROVED.

2. ACTION ITEMS

a. Request approval for the NMTC Predevelopment Cost Loan Program proposal.

- Moved by Director Chavez. Seconded by Director Sewill.
- Roll Call: AYES: 4; NOS: 0; ABSENT: 1; ABSTAIN: 0; APPROVED.

b. Request approval for the JEDI Zone Micro Business Loan Program proposal.

- Moved by Director Chavez. Seconded by Director Sewill.
- Roll Call: AYES: 4; NOS: 0; ABSENT: 1; ABSTAIN: 0; APPROVED.

c. Request approval of LADF's capital investment strategy to retain the money in the Wells Fargo Premium Savings Account until LADF decides to appoint an active CFO.

- The action item for further discussion on this topic has been deferred to the next meeting.

d. Request approval to create a Senior Finance Associate position.

- Moved by Director Sewill. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 0; ABSENT: 1; ABSTAIN: 0; APPROVED.

e. Request approval to hire Christopher Chorebanian as the Senior Finance Associate.

- Moved by Director Sewill. Seconded by Director Chavez.
- Roll Call: AYES: 4; NOS: 0; ABSENT: 1; ABSTAIN: 0; APPROVED.
- The action item has been approved with an amendment to reconsider the hiring terms and compensation package at the next meeting.

f. Request for Approval of 2023 LADF Budget

- The action item for further discussion on this topic has been deferred to the next meeting.

3. CLOSED SESSIONS ITEMS

(The meeting went into a closed session at 03:21 pm and resumed at 03:43 pm.)

- LADF employment policy and staffing
- The board reported the results of the discussion by voting on discussion items d and e.

REQUEST FOR FUTURE AGENDA ITEMS

- a. LADF governing board to create an Employee Insurance Policy.
- b. The LADF capital investment strategy.
- c. Conducting outreach to fill the vacant advisory board positions.
- d. Discussion regarding a loan program for community organizations not associated with NMTC.
- e. Approval of 2023 LADF budget.

NEXT MEETING DATE AND TIME

- October 12, 2023 at 2:30pm

PUBLIC COMMENT

- None.

ADJOURNMENT

- Meeting was adjourned at **3:53 pm**.

Tab 3

LADF

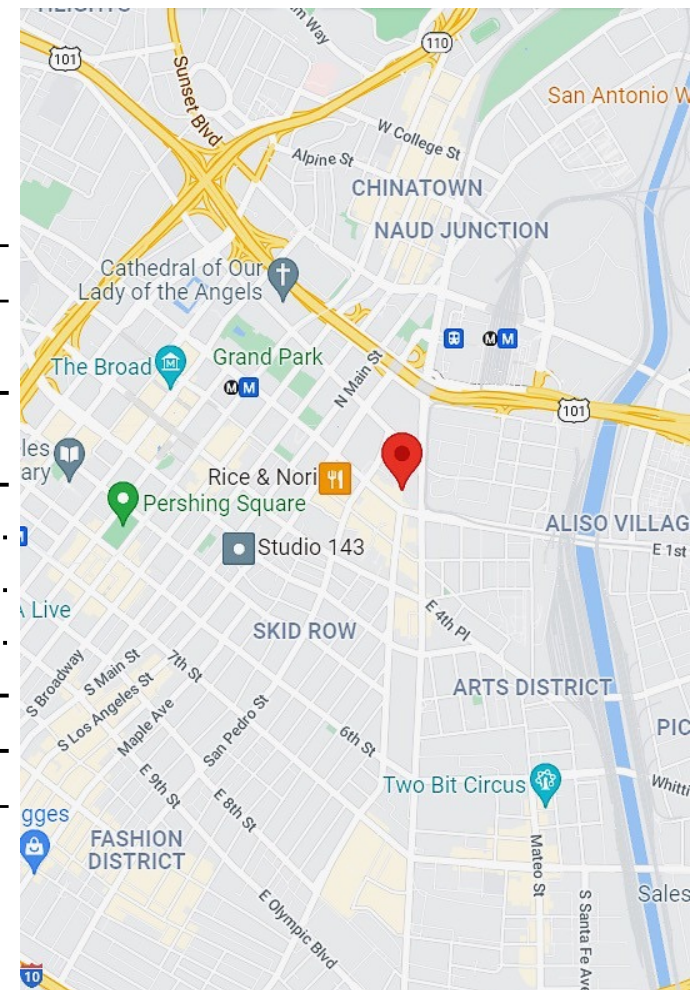
LOS ANGELES DEVELOPMENT FUND

PIPELINE PROFILES

**LADF Board Meeting
October 2023**

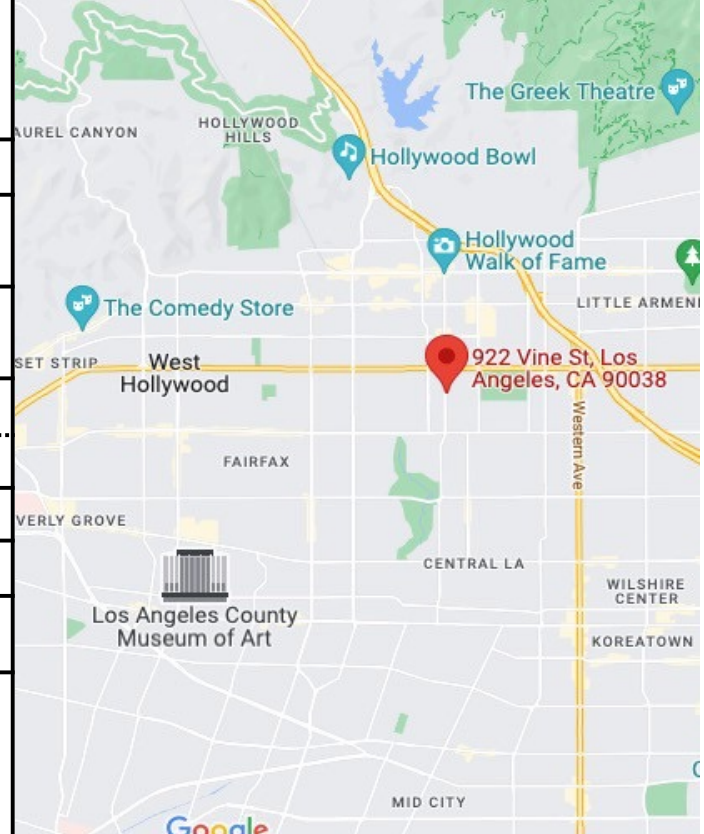
FIRST STREET NORTH (Go for Broke)

Developer:	Little Tokyo Service Center		
Project Type:	Community Facility/Retail, New Construction		
Description:	<p>The project is the construction of the commercial component of the Go for Broke Apartments project, providing 30,000 SF for legacy small businesses and nonprofit community organizations in the Little Tokyo neighborhood of Los Angeles. The project will include 20,000 SF of ground floor commercial/retail and community organization space and 10,000 SF ground floor space for a permanent space for the Go for Broke National Education Center ("GFBNEC"). GFBNEC is a nonprofit organization that provides educational programs about the history of the Japanese American veterans of World War II. The overall development plan also includes 248 affordable housing units, with supportive housing set-asides for homeless veterans (financed separately, not part of the NMTC project). The development will also include 20,000 SF of urban green spaces and 10,000 SF of separately-owned and -financed performance space for East West Players, the nation's premier Asian American theater.</p>		
Location:	200 North Central Avenue, Los Angeles, CA 90012 (CD 14)		
Census Tract Eligibility (2015-16):	<p>► 45.2% Poverty Rate (<i>greater than 20% and 30%</i>)</p> <p>► 38.3% of Metro/State Median Income (<i>less than 80% and 60%</i>)</p>		
Estimated TDC & NMTC Allocation:	Budget:	\$ 23,700,000	Total QEI: \$ 23,000,000 LADF QEI: \$ 7,000,000
Potential Sources of Funds:	Term Loan:	\$ 6,750,000	Lev. Loan Eligible
	State AD 53 Funds:	\$ 5,000,000	Lev. Loan Eligible
	Capital Campaign (<i>in progress</i>):	\$ 5,250,000	Lev. Loan Eligible
	NMTC Equity (\$0.75 / NMTC):	\$ 6,700,000	
Projected Closing:	Jan 2024		
Current Status:	► Design development is ongoing		
Community Benefits/Impact:	<p>► Job Creation: 60 Permanent (<i>40 ret. / 20 new</i>) – 43 Construction</p> <p>► Below market rents offered to local minority-owned business at risk of being priced out of the Little Tokyo neighborhood</p> <p>► Project will add arts and cultural spaces</p> <p>► Sponsor and all tenants confirmed to date are minority-owned</p>		



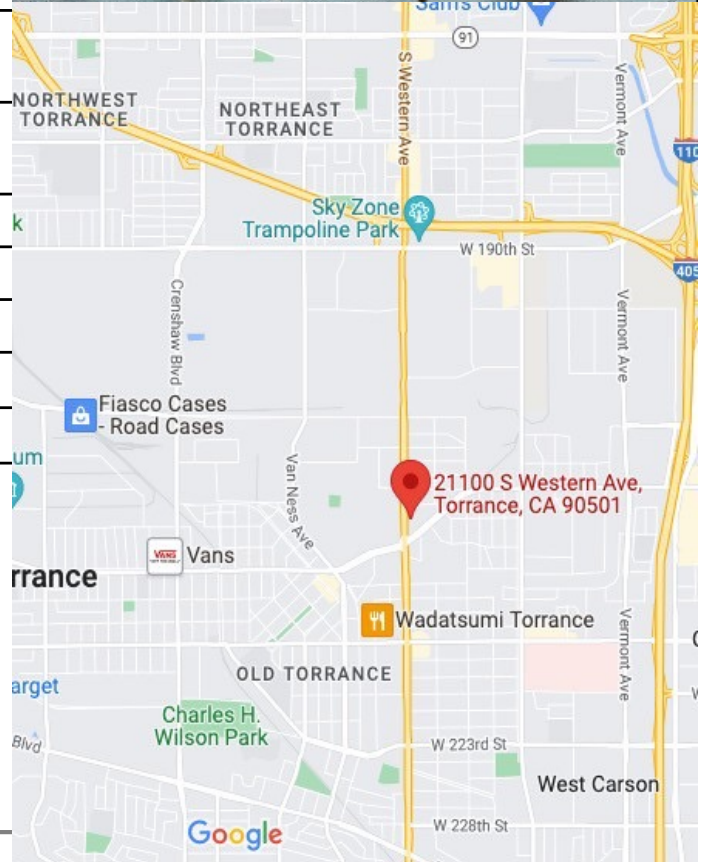
ANGEL FOOD

Developer:	Project Angel Food (a non-profit organization)									
Project Type:	Community Facilities Expansion									
Description:	Project Angel Food is a nonprofit organization founded in 1989. Project Angel Food prepares and delivers over 1.3 million medically tailored meals each year, free of charge, to low-income people affected by life-threatening illnesses. Clients will receive one-on-one nutritional counseling and a customized menu that is designed to meet the unique needs of their diagnosis and aligned with their personal dietary restrictions and preferences. Currently, the Project Angel Food kitchen creates 13 variations of each menu. This project involves the renovation of Project Angel Food's 15,000 SF facility and new construction of a 15,000 SF building directly across the street. The new 30,000 SF campus will allow Project Angel Food to triple the number of meals it serves for low-income people annually.									
Location:	922 Vine Street, Los Angeles CA 90038 (CD 13)									
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 32.10% Poverty Rate (<i>greater than 20%</i>) ▶ 45.10% of Metro/State Median Income (<i>less than 80% and 60%</i>) 									
Estimated TDC & NMTC Allocation:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Budget:</td> <td style="width: 30%;">\$22,600,000</td> <td style="width: 20%;">Total QEI:</td> <td style="width: 20%;">\$ 22,000,000</td> </tr> <tr> <td></td> <td></td> <td>LADF QEI:</td> <td>\$ 8,000,000</td> </tr> </table>	Budget:	\$22,600,000	Total QEI:	\$ 22,000,000			LADF QEI:	\$ 8,000,000	
Budget:	\$22,600,000	Total QEI:	\$ 22,000,000							
		LADF QEI:	\$ 8,000,000							
Potential Sources of Funds:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">State of LA:</td> <td style="width: 30%;">\$3,000,000</td> <td style="width: 40%;">Lev. Loan Eligible</td> </tr> <tr> <td>Private Individual Donors:</td> <td>\$12,800,000</td> <td>Lev. Loan Eligible</td> </tr> <tr> <td colspan="3">NMTC Equity (\$0.75 / NMTC): \$ 6,435,000</td> </tr> </table>	State of LA:	\$3,000,000	Lev. Loan Eligible	Private Individual Donors:	\$12,800,000	Lev. Loan Eligible	NMTC Equity (\$0.75 / NMTC): \$ 6,435,000		
State of LA:	\$3,000,000	Lev. Loan Eligible								
Private Individual Donors:	\$12,800,000	Lev. Loan Eligible								
NMTC Equity (\$0.75 / NMTC): \$ 6,435,000										
Projected Closing:	Q1 2024									
Current Status:	▶ Awaiting building permit and selecting GC. Targeting a January financial closing and construction start.									
Community Benefits/Impact:	<ul style="list-style-type: none"> ➢ Job Creation: Create/ Retain 137 FTE, 15-20 Construction Jobs ➢ Ongoing employee training, certification support, and upward mobility. <p>delivers 1.3 million medically tailored meals annually, serving as a critical food source for over three-quarters of its clients, with nearly 30% of low-income people in Los Angeles County facing food insecurity. (81% of PAF's clients live below the federal poverty line and 97% are below 200% of the federal poverty line.)</p>									



Jessie Lord Bakery

Developer:	Jessie Lord Bakery									
Project Type:	Minority Own Business; Equipment Purchase									
Description:	Jessie Lord Bakery is a 38-year-old, minority-owned and -led company that is one of the largest pie manufacturers in the country. Originally founded in 1984 as Country Home Bakery. Today, the company makes 25 million pies per year, employs approximately 300 employees at peak times, and is profitable. NMTC QLICs will be used to replace the refrigeration and boiler equipment for an existing pie manufacturer. The new equipment will take the place of existing equipment that is both harmful to the environment and cost prohibitive to maintain. The equipment will allow the 38-year-old company to remain in business and to produce 25 million pies/year.									
Location:	21100 S. Western Ave, Torrance, CA 90501 (Unincorporated LA County)									
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 34.20% Poverty Rate (<i>greater than 20%</i>) ▶ 52.82% of Metro/State Median Income (<i>less than 80% and 60%</i>) 									
Estimated TDC & NMTC Allocation:	<table border="0" style="width: 100%;"> <tr> <td>Budget: \$20,000,000</td> <td>Total QEI: \$ 20,000,000</td> </tr> <tr> <td></td> <td>LADF QEI: \$ 8,000,000</td> </tr> </table>	Budget: \$20,000,000	Total QEI: \$ 20,000,000		LADF QEI: \$ 8,000,000					
Budget: \$20,000,000	Total QEI: \$ 20,000,000									
	LADF QEI: \$ 8,000,000									
Potential Sources of Funds:	<table border="0" style="width: 100%;"> <tr> <td>Term Loan</td> <td>\$8,846,087</td> <td>Lev. Loan Eligible</td> </tr> <tr> <td>California State Grant</td> <td>\$5,314,374</td> <td></td> </tr> <tr> <td>NMTC Equity (\$0.76 / NMTC):</td> <td>\$5,928,000</td> <td></td> </tr> </table>	Term Loan	\$8,846,087	Lev. Loan Eligible	California State Grant	\$5,314,374		NMTC Equity (\$0.76 / NMTC):	\$5,928,000	
Term Loan	\$8,846,087	Lev. Loan Eligible								
California State Grant	\$5,314,374									
NMTC Equity (\$0.76 / NMTC):	\$5,928,000									
Projected Closing:	Q1 2024									
Current Status:	Final allocation secured, with closing calls commencing in mid-October.									
Community Benefits/Impact:	<ul style="list-style-type: none"> ▶ Job Creation: 65 Permanent (FIE) ▶ Preserve up to 300 full-time jobs (40 permanent ; 260 temp workers) ▶ Community Giving/ Food bank donations : donates over 13,000 pies every year ▶ Environmental Sustainability : they will be replacing a Freon based system with a more environmentally friendly system and reduce their greenhouse gas emissions by an amount equivalent to emissions from 1,461 cars per year ▶ .This will enable the owner to take on the fourth phase of facility improvements, which will expand the company's operations by 30-50% and increase hiring. 									



NLSLA JUSTICE CENTER

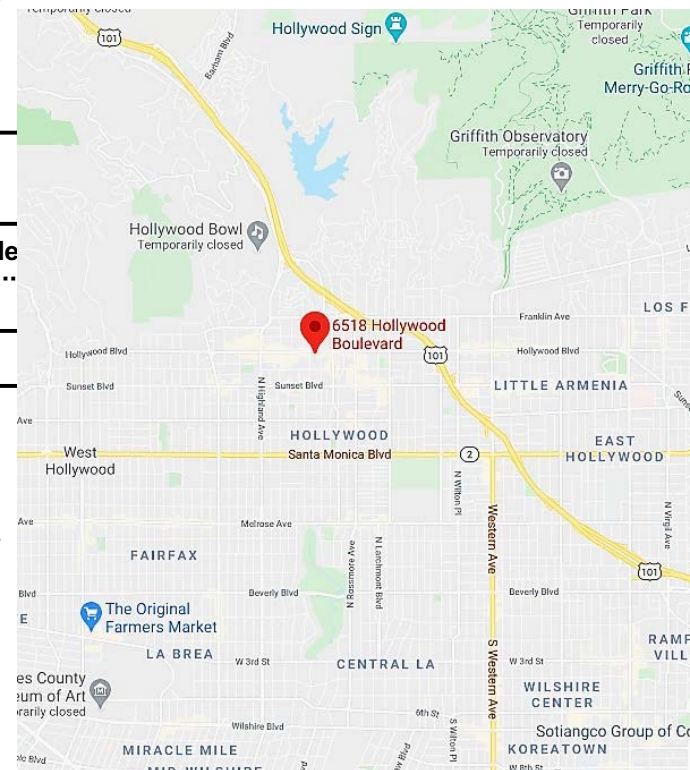


Developer:	Neighborhood Legal Services of Los Angeles County (NLSLA)								
Project Type:	Sponsor's HQ Office & Justice Center, New Construction								
Description:	This project is the new construction of a 25,000 SF Justice Center in the Pacoima area of the Northeast San Fernando Valley. The Sponsor, NLSLA, is a nonprofit organization with a 55-year track record of providing legal help to Los Angeles' low-income communities. The new Justice Center will allow NLSLA to significantly increase the number of people the organization serves across Los Angeles County, and to enhance its role as a community hub. NLSLA's current office in Pacoima – which will be acquired by L.A. Metro for the construction of a much-needed light rail extension – was first opened in 1965 by a group of attorneys looking to expand access to healthcare, housing, and justice in the San Fernando Valley. The Justice Center will accommodate approx. 100 NLSLA staff and the following services: NLSLA Health Consumer Center, housing and homelessness services, family law/domestic violence advocacy, and disaster legal assistance programs.								
Location:	13411 Van Nuys Blvd., Pacoima, CA 91331 (CD 7)								
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 23.7% Poverty Rate (<i>greater than 20%</i>) ▶ 49.2% of Metro/State Median Income (<i>less than 80% and 60%</i>) ▶ 1.63x National Avg. Unemployment (<i>greater than 1.5x</i>) 								
Estimated TDC & NMTC Allocation:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Budget:</td> <td style="width: 30%;">\$ 25,000,000</td> <td style="width: 20%;">Total QEI:</td> <td style="width: 30%;">\$ 23,000,000</td> </tr> <tr> <td></td> <td></td> <td>LADF QEI:</td> <td>\$ 7,000,000</td> </tr> </table>	Budget:	\$ 25,000,000	Total QEI:	\$ 23,000,000			LADF QEI:	\$ 7,000,000
Budget:	\$ 25,000,000	Total QEI:	\$ 23,000,000						
		LADF QEI:	\$ 7,000,000						
Potential Sources of Funds:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Fed Earmark - \$3MM (pending application)</td> <td style="width: 50%;">State of LA -\$3MM</td> </tr> <tr> <td>LA County - \$5MM (pending application)</td> <td>Private foundations - \$10MM</td> </tr> <tr> <td>Sponsor cash on hand - \$3.5MM</td> <td></td> </tr> </table>	Fed Earmark - \$3MM (pending application)	State of LA -\$3MM	LA County - \$5MM (pending application)	Private foundations - \$10MM	Sponsor cash on hand - \$3.5MM			
Fed Earmark - \$3MM (pending application)	State of LA -\$3MM								
LA County - \$5MM (pending application)	Private foundations - \$10MM								
Sponsor cash on hand - \$3.5MM									
Projected Closing:	Summer 2024								
Current Status:	Applying for funding, advancing drawings for permits, start construction in summer 2024.								
Community Benefits/Impact:	<ul style="list-style-type: none"> ▶ Job Creation: 106 Permanent (77 ret. / 29 new) – 40 Construction ▶ NLSLA provides training and employment opportunities, including internships and professional development. ▶ NLSLA serves over 116,000 low-income individuals and families annually, with the new facility expanding their reach by 50%. ▶ NLSLA is a minority-controlled nonprofit organization 								



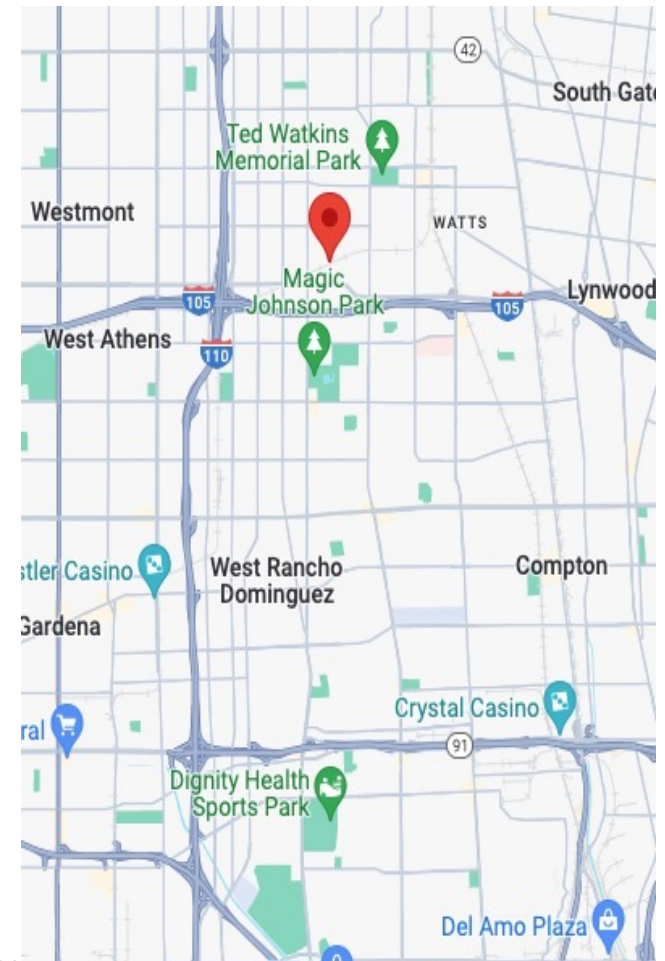
HOLLYWOOD ARTS CENTER PHASE TWO

Developer:	Thomas Safran & Associates (TSA) and The Actors Fund		
Project Type:	Live Theater/Arts Facility, Substantial Rehabilitation		
Description:	<p>The project will rehabilitate an existing two-story, 18,350 SF building along Hollywood Boulevard. The project will include:</p> <ul style="list-style-type: none"> • 4,800 SF for The Actors Fund Training & Career Center • 4,250 SF of co-working office space for small arts non-profits • 8,500 SF of gallery, exhibit, performance, and rehearsal space 2,900 SF / 64-seat black box theater for tenant presentations/show 800 SF of market rate retail space, including a coffee shop <p>The project encompasses increased expenses of \$8 million for the previously funded Hollywood building and a \$6 million build-out for social service space on two floors of an adjacent building, which was not included in the 2022 closing.</p>		
Location:	6518-6552 Hollywood Blvd., Los Angeles, CA 90028 (CD 13)		
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 26.3% Poverty Rate (<i>greater than 20%</i>) ▶ 73.9% of Metro/State Median Income (<i>less than 80%</i>) ▶ Federal-Designated Promise Zone 		
Estimated TDC & NMTC Allocation:	Budget:	\$ TBD	Total QEI: \$16,000,000 LADF QEI: \$ 5,000,000
Potential Sources of Funds:	Sponsor Fundraising:	\$ TBD	Lev. Loan Eligible
	NMTC Equity (\$0.70 / NMTC):	\$ TBD	
Projected Closing:	Q1 2024		
Current Status:	<ul style="list-style-type: none"> ➤ Project ready to close with active construction underway. ➤ Sponsor holds a 99-year lease for the site on Hollywood Boulevard ➤ All necessary zoning, plans, permits, and general contractor contracts are secured, with an expected project completion date in December 2024. 		
Community Benefits/Impact:	<ul style="list-style-type: none"> ▶ Job Creation: 46 Permanent (42 ret. / 4 new) – 130 Construction ▶ Project will provide 13,200 individuals per year with career and social services – 75% Low-Income Persons / 40% Minority ▶ 25%-75% below-market rents provided to non-profit tenants ▶ Arts programming: 75 events reaching 7,400 individuals per year ▶ Theater will provide arts programming for underserved youth 		



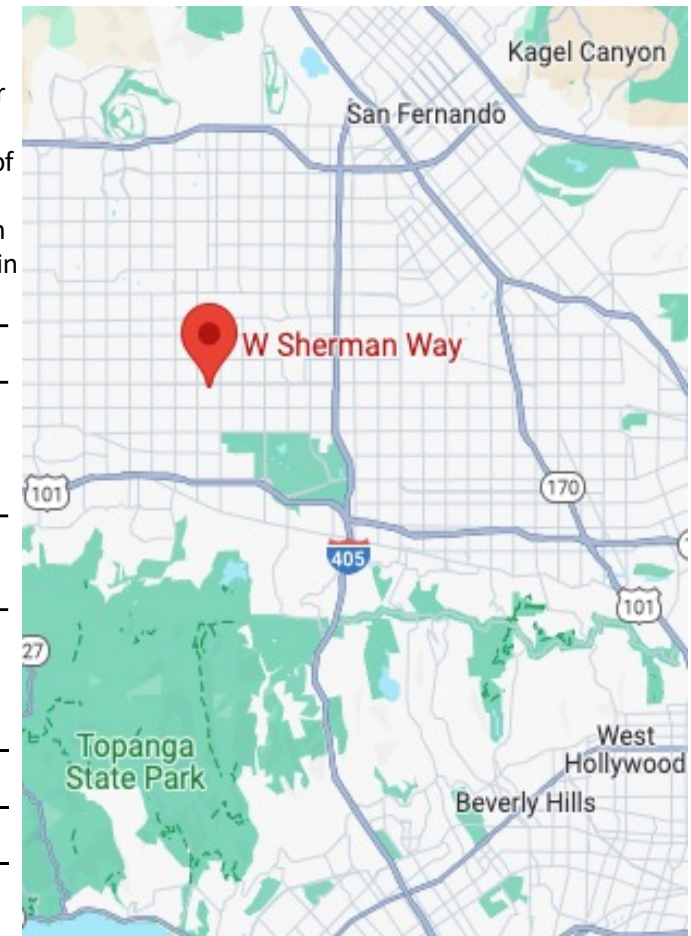
SOLA MODEL / Z

Developer:	SoLa Model Z & Sola Impact		
Project Type:	Production facility for affordable modular housing units.		
Description:	<p>The project involves renovating and equipping a 150,000 sq. ft. industrial facility in South Los Angeles, with the goal of establishing an advanced volumetric modular manufacturing plant dedicated to producing high-quality, affordable housing modular units. When fully operational, the Model/Z factory aims to manufacture over, stimulating economic growth and championin 1,000 of these units annually by 2029 community-driven initiatives locally. Model/Z not only addresses housing affordability and homelessness but also plays a crucial role in breaking the cycle of intergenerational poverty, aligning with our vision of empowering communities. Furthermore, the project is structured into three phases: the Modular Factory phase, which creates over 300 local jobs and produces affordable housing units in Watts, South LA; the AI for Real Estate phase introduces software to expedite housing development processes significantly; and the Wealth Building phase enables local, primarily minority landowners to develop their land while retaining ownership, fostering community equity.</p>		
Location:	740-800 E. 111th Place, Los Angeles, CA 90059 (CD 8)		
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 47.5% Poverty Rate (<i>greater than 20% & 30 %</i>) ▶ 45.21% of Metro/State Median Income (<i>less than 80% and 60%</i>) ▶ 1.84x National Avg. Unemployment (<i>greater than 1.5x</i>) 		
Estimated TDC & NMTC Allocation:	Budget: \$ 30,825,000	Total QEI: \$ 30,000,000	LADF QEI: 10,000,000
Potential Sources of Funds:	Leverage Loan: \$ 21,540,000	Lev. Loan Eligible	
	Capital Contribution: \$1,725,000		
	NMTC Equity (\$0.80/ NMTC):	\$ 7,560,000	
Projected Closing:	Q1 2024		
Current Status:	Seeking NMTC allocation for the recently announced award.		
Community Benefits/Impact:	<ul style="list-style-type: none"> ➤ Job Creation: 312 permanent jobs ; 34 direct & 58 indirect construction jobs. ➤ 85% accessible to Low-Income Persons, 75% local hiring. ➤ Affordable Housing: 1,000 modules/year by 2025 for low-income communities. ➤ Training for Marginalized Groups: Comprehensive skills training ➤ Minority Business Support: Model/Z (Black owned and operated) 		



RESTORING RESEDA THEATRE

Developer:	Reseda Theatre and Public Market, LLC		
Project Type:	Entertainment and Small Business Incubator		
Description:	<p>This project is an innovative undertaking that seeks to transform a historic cinema treasure in Los Angeles into a dynamic small business incubator. With a vision shaped by the lessons of the pandemic, the Reseda Theatre Public Market aims to reinvent the traditional movie theatre and restaurant models, offering a movie-inspired Food Hall on its ground floor and two cinema theatre screens on the second floor. Market research indicates a growing demand for menu variety, and this project will cater to that by hosting six specialty tenants, including a craft beer garden and an anchor restaurant tenant. To support aspiring entrepreneurs, the project introduces a Start-Up Loan Program, providing one-time forgivable loans of up to \$50,000 to businesses for start-up costs, ultimately contributing to job creation and retention in the community. Additionally, the project's unique design approach encourages tenant creativity, fostering inviting and exciting spaces within the food hall, complete with communal and private dining areas.</p>		
Location:	18447 West Sherman Way, Los Angeles, CA 91335 (CD 3)		
Census Tract Eligibility (2015-16):	<ul style="list-style-type: none"> ▶ 20.3% Poverty Rate (<i>greater than 20%</i>) ▶ 83.78% of Metro/State Median Income 		
Estimated TDC & NMTC Allocation:	Budget:	\$ 12,700,000	Total QEI: \$ 12,000,000
			LADF QEI: \$ 12,000,000
Potential Sources of Funds:	Section 108 Loan	Loan	\$2.1 M Seeking
	Developer Equity	Equity	\$660,000 N/A
	Private Construction Loan	Leverage	\$5 M Seeking
	NMTC Note B	Tax Credit	\$2.8 M Seeking
Projected Closing:	Spring 2024		
Current Status:	▶ Amendment 5 to the City of Los Angeles Agreement executed on December 22, 2022. awaits financing completion for escrow closing.		
Community Benefits/Impact:	<ul style="list-style-type: none"> ➢ Job Creation: 42 Permanent (new) – 45-50 Construction ➢ Developer is a registered Small and Women Business Enterprise (SBE/WBE). ➢ Start-Up Loan Program: Provides forgivable loans up to \$50,000 for tenant businesses to cover start-up costs, fostering job creation and service quality; loans are forgiven over 4 years at 25% annually while the business operates. 		



Tab 4

LOS ANGELES DEVELOPMENT FUND

and

LADF MANAGEMENT, INC.

ADVISORY BOARD OF DIRECTORS ROSTER – as of September 21, 2023

NAME	TITLE/ORGANIZATION	APPOINTED BY & CLASS	CONTACT INFORMATION
Libby Williams CHAIRPERSON	<i>Vermont Slauson Economic Dev Corp</i>	Mayor Class III (term expiring 01-01-2025)	Tel: (213) 216-3568 libby@libbywilliams.com
	Vacant	Mayor Class II	
Miguel Luna <i>LIC Representative</i>	Board Member (Chairperson), <i>ANAHUAK Youth Sports Association</i>	Mayor Class I (term expiring 01-01-2026)	Tel: (323) 509-4813 miguel@urbansemillas.com
Rudy Espinoza <i>LIC Representative</i>	Board Member, <i>Leadership for Urban Renewal Network</i>	President of the City Council Class II (term expiring 01-01-2024)	333 S. Hope Street, 43 rd Fl. Los Angeles, CA 90071 Tel: (213) 617-5567 rudy@LURNnetwork.org
Tunua Thrash-Ntuk <i>LIC Representative</i>	CEO & President, The Center for Lendistry	ED Committee, City Council Class III (term expiring 01-01-2025)	500 S. Grand Avenue #2300 Los Angeles, CA 90071 Tel: (213) 240-3119 tthrashntuk@lisc.org
Brian Albert <i>LIC Representative</i>	Board Member, <i>Proyecto Pastoral</i>	LADF Gov. Board Class I (term expiring 01-01-2026)	Tel: (323) 384-3631 brian@civicenterprise.com
	Vacant	LADF Gov. Board Class I	
	Vacant	LADF Gov. Board Class II	
	Vacant	LADF Gov. Board Class II	
Nancy Volpert <i>LIC Representative</i>	Director of Public Policy, <i>Jewish Family Services of Los Angeles</i>	LADF Gov. Board Class III (term expiring 01-01-2025)	Tel: (213) 260-7906 nvolpert@jfsla.org
	Vacant	LADF Gov. Board Class III	

	LA HARBOR	SOUTH LA	EASTSIDE	DOWNTOWN	HOLLYWOOD/ CENTRAL	E. VALLEY	W. VALLEY
COMMUNITY/ECON. DEVELOPMENT	5 3 11	3 7 9 11	1 2 11	11	11	11	11
HIRING OR TRAINING OF DISAD. PERSONS	3	3 7 9	2			12	
HIRING OR TRAINING OF TARGETED POP.	4	4 7 9	1 2 4	4	4	4	4
SMALL BIZ DEVELOPMENT		7	2				
ACCESS TO HEALTHY FOODS					8	8 12	8
HEALTHCARE						12	
CHILDCARE	5 3	3	2			6 12	
HOMELESS SERVICES		7	1 2		8	8 12	8
EDUCATION	5 3 4 11	3 4 7 11	2 4 11	4	4	4 6 11 12	4 11
COUNSELING-FINANCIAL	3	3					
COUNSELING-LEGAL	3	3					
COUNSELING-OTHER	3	3			8	8	8
ENVIRONMENTAL SUSTAINABILITY		9					
ACCESS TO TECHNOLOGY	4 10	4 10	4 10	4 10	4 10	4 6 10 12	4 10
OTHER		9			8	8 12	8

	CANDIDATE	TITLE	ORGANIZATION	SOURCE OF REFERRAL	# Regions	# Targeted Initiatives	# Other Initiatives
1	Andrea Marchetti	Executive Director	Jovenes, Inc.	LADF Advisory Board	1	1	2
2	Brian Albert	Board Member	Proyecto Pastoral	LADF Staff	1	3	4
3	Colleen Mooney	Executive Director	South Bay Center for Counseling	CD 15	2	4	3
4	Liliana Monge	Board Member	DIY Girls	LADF Staff	Citywide	2	1
5	Lucia Diaz	Chief Executive Officer	Mar Vista Family Center	CD 11	1	2	1
6	Lydia Floyd	Executive Director	Hands4Hope LA	CD 2	1	3	0
7	Mark Wilson	Executive Director	Coalition for Responsible Community Development	CD 9	1	2	4
8	Nancy Volpert	Director of Public Policy	Jewish Family Services of Los Angeles	CD 2	3	1	3
9	Noreen McClendon	Executive Director	Concerned Citizens of South Central Los Angeles	CD 9	1	0	5
10	Norma Fernandez	Regional Manager, California	EveryoneOn	LADF Advisory Board	<i>Citywide</i>	1	0
11	Tina Lin	Project Manager	Pacific Charter School Development	LADF Staff	<i>Citywide</i>	1	1
12	Yolanda Anguiano	Job Training Coordinator	MEND (Meet Each Need with Dignity)	LADF Advisory Board	1	5	4

MEMORANDUM

TO: LADF Board of Directors
FROM: Sandra Rahimi, LADF Secretary
DATE: December 10, 2015
SUBJECT: Appointments for Six (6) Advisory Board Seats

RECOMMENDATION

- That the Los Angeles Development Fund (LADF) Board of Directors appoint the following two (2) individuals to the LADF Advisory Board as Class I members (term expiring 2017):
 1. **Brian Albert** – *Board Member*, Proyecto Pastoral
 2. **Colleen Mooney** – *Executive Director*, South Bay Center for Counseling
- That the Los Angeles Development Fund (LADF) Board of Directors appoint the following two (2) individuals to the LADF Advisory Board as Class II members (term expiring 2018):
 3. **Liliana Monge** – *Board Member*, DIY Girls
 4. **Mark Wilson** – *Executive Director*, Coalition for Responsible Community Development
- That the Los Angeles Development Fund (LADF) Board of Directors appoint the following two (2) individuals to the LADF Advisory Board as Class III members (term expiring 2016):
 5. **Nancy Volpert** – *Director of Public Policy*, Jewish Family Services of Los Angeles
 6. **Yolanda Anguiano** – *Job Training Coordinator*, MEND (Meet Each Need with Dignity)

SUMMARY

At the meeting of the LADF Governing Board on October 8, 2015, the Board approved expanding the LADF Advisory Board membership from five (5) seats to eleven (11) seats. The six (6) new seats were approved with two (2) seats being added to each of the Advisory Board's Class I, Class II, and Class III membership. All membership classes have three-year terms, but expire in different years in order to stagger the term expirations for the six (6) new seats.

The Governing Board directed staff to select *Low-Income Community Representatives* ("LIC Reps") for the six (6) new Advisory Board seats. A LIC Rep is a Board Member that is representative of Low-Income Communities (LIC), and may qualify as such by being as an employee or board member of a non-affiliated community-based or charitable organization that provides more than 50 percent of its activities or services to Low-Income Persons and/or LICs. Advisory Board members may either be LIC Rep members or non-LIC Rep members; no other significant designation applies.

According to the CDFI Fund's published guidance (Federal Register / Vol. 66, No. 245) regarding certification of CDEs, an entity must demonstrate that it maintains accountability to residents of LICs by having at least 20% of its advisory board filled by LIC Reps (*i.e.* the Accountability Test). Further, the NMTC industry understands that CDEs with greater LIC representation on their advisory boards are viewed more favorably by the CDFI Fund. Therefore, it is important that the new seats to the LADF's Advisory Board be filled by LIC Reps to increase its accountability to the City's LICs.

Through guidelines in the NMTC Allocation Application and various compliance documents, the CDFI Fund recognizes 13 distinct community outcomes benefiting LICs ("Initiatives"). LADF's five current Advisory Board members address six of these 13. LADF staff was also directed to select appointees that are active in addressing as many of these Initiatives as possible while targeting the seven unrepresented Initiatives. The 13 initiatives, as they pertain to LICs and Low-Income Persons, include:

- Community / Economic Development
- Hiring or Training of Disadvantaged Persons
- Hiring or Training of Targeted Populations
- Small Business Development
- Access to Healthy Foods
- Healthcare
- Childcare
- Homeless Services
- Education
- Financial Counseling
- Legal Counseling
- Environmental Sustainability
- Access to Technology

The targeted initiatives in selecting candidates are: **Healthcare, Childcare, Homeless Services, Education, Financial Counseling, Legal Counseling, and Access to Technology.** These targeted initiatives are identified in red font in the attached decision matrix, which is further described in the Methodology section below.

Geographical service area was also an important factor in selecting candidates. The LADF Governing Board directed staff to select candidates that represent diversity across the various regions of the City of Los Angeles. The candidate form includes a breakout of the City into the following seven regions:

- L.A. Harbor
- South L.A.
- Eastside
- Downtown
- Hollywood & Central
- East Valley
- West Valley

The Governing Board requested that staff reach out to its network of nonprofits and community development professionals, as well as obtain referrals from each of the 15 Council Districts of the City of Los Angeles. The result of this outreach was a candidate pool with a diverse source of referrals as shown below:

- 3 Referrals from LADF Staff
- 3 Referrals from LADF Advisory Board's existing members
- 3 Referrals from Council District 2 (1 of 3 referrals declined candidacy)
- 2 Referrals from Council District 9
- 3 Referrals from Council District 11 (2 of 3 referrals declined candidacy)
- 1 Referral from Council District 15

Of the 15 individuals referred, 12 have expressed interest and accepted candidacy for appointment. LADF staff requested these 12 individuals to fill out a form that identifies which region(s) of Los Angeles and program initiative(s) their nonprofits represent.

METHODOLOGY

With the information gathered, LADF staff produced the attached decision matrix that assigns each candidate a number. These individual numbers are then placed in each region (*columns*) and initiative (*rows*) they represent. This allowed staff to objectively review each candidate number with respect to its placement throughout the decision matrix.

LADF strove to achieve two main objectives in selecting individuals to recommend for appointment:

1. Select candidates that provide representation in the most program initiatives, with a focus on those initiatives not already represented by LADF's five current Advisory Board members.
2. Select a group of candidates that provide geographic diversity and coverage of as many of the regions listed above as possible.

RECOMMENDATIONS FOR APPOINTMENT

Based on LADF staff's review of the candidates and the methodology applied, the following individuals are recommended for appointment to the LADF Advisory Board:

Brian Albert – Board Member, Proyecto Pastoral

- Region(s): Eastside
- Targeted Initiative(s): Childcare, Homeless Services, Education
- Other Initiative(s): Community / Economic Development, Hiring or Training of Disadvantaged Persons, Hiring or Training of Targeted Populations, Small Business Development

Brian Albert is a Board Member for Proyecto Pastoral, located in the Boyle Heights neighborhood of Los Angeles. Proyecto provides unique services which would otherwise be unavailable to this community, including:

1. two Early Childhood Education Centers for 105 children, ages 18 months to 5 years;
2. an after-school and summer academic enrichment program for 250 youth;
3. management of the Aliso Pico Recreation Center, which offers sports, music, and other activities for youth and families;
4. Comunidad en Movimiento (Community in Action) for community public safety and civic engagement; and
5. Guadalupe Homeless Project, which operates a 30-day men's shelter and job training program at Dolores Mission Church.

Proyecto is also the lead agency in a 14-agency collaborative, Promesa Boyle Heights, seeking to implement a comprehensive Promise Neighborhoods education program with a direct focus on Mendez High School and soon to expand to neighboring middle and elementary schools. Through this initiative, Proyecto implements a "community-school model" which increased graduation rates at Mendez High by 20%, making it the most improved traditional high school in CA.

Colleen Mooney – Executive Director, South Bay Center for Counseling

- Region(s): LA Harbor, South LA
- Targeted Initiative(s): Childcare, Education, Financial Counseling, Legal Counseling
- Other Initiative(s): Community / Economic Development, Hiring or Training of Disadvantaged Persons, Other Counseling (Psychological)

Colleen Mooney heads the South Bay Center for Counseling (SBCC), which has been in operations for more than 40 years and currently serves over 10,000 low-income families in Los Angeles. SBCC coordinates a network of 40 partner organizations to deliver family well-being programs, including family development coaching and counseling services. SBCC also provides child development and early education. Preschool Without Walls is a participatory, parent-child early learning program. Their after school tutoring programs provide high quality tutoring and after-school services to elementary and middle-school age children in Math, Reading, Language Arts, Science, and more. SBCC also provides several programs to support self-sufficiency of the families, children, and adults it serves. These include immigration and legal services, financial and tax preparation services, job training in the industrial sector, community gardens and at-home gardening workshops, as well as GED and ESL

classes. SBCC is deeply involved in the communities it serves, and supports over 100 resident organization, or Neighborhood Action Councils.

Liliana Monge – Board Member, DIY Girls

- Region(s): Citywide
- Targeted Initiative(s): Education, Access to Technology
- Other Initiative(s): Hiring or Training of Targeted Populations

Liliana Monge is a Board Member of DIY (“Do-It-Yourself”) Girls, whose mission is to increase girls’ interest and success in technology, engineering and making through innovative educational experiences and mentor relationships. DIY Girls develops and implements educational programs and events designed to encourage engagement with technology, promote self-confidence and support aspiration to technical careers. DIY Girls offers afterschool programs, summer camps, and workshops for girls in elementary and middle school. Through these programs, girls design and make toys, program their own video games, design creative inventions with conductive paint and make wearable electronics products, in addition to other hands-on engineering and technical exploration. DIY Girls also offers one-day workshops for teachers to expand projects they have used in their programs described above. Since 2012, they have served nearly 400 girls through their programs and workshops. Additionally, 103 5th grade girls have participated in their afterschool programs and over 700 women belong to their Meetup group

Mark Wilson – Executive Director, Coalition for Responsible Community Development

- Region(s): South LA
- Targeted Initiative(s): Homeless Services, Education
- Other Initiative(s): Community / Economic Development, Hiring or Training of Disadvantaged Persons, Hiring or Training of Targeted Populations, Small Business Development

Mark Wilson heads the Coalition for Responsible Community Development (CRCD), whose mission is to better sustain, coordinate and improve local planning, development and community services that address the needs of low-income and working-class residents and small businesses in South Los Angeles. Their comprehensive community development services include providing housing, education, and jobs for primarily Latino and Black youth aged 18 to 24 in the Vernon-Central Los Angeles community. Among their education program is CRCD Academy, which enrolls new students ages 16 to 24, every 5-8 weeks. CRCD also develops and operates rental housing for youth and young adults, families, seniors, individuals with special needs, and other low-income households. CRCD has partnered in a combined investment of \$103 million in South LA housing and real estate, including 318 units of affordable housing, plus community space for support services, youth programs, a homeless youth drop-in center, a community garden, and commercial space. CRCD also operates, in conjunction with LA Trade Tech, the Vernon-Central WorkSource Center, which provides job placement services.

Nancy Volpert – Director of Public Policy, Jewish Family Services of Los Angeles

- Region(s): Hollywood/Central, East Valley, West Valley
- Targeted Initiative(s): Homeless Services
- Other Initiative(s): Access to Healthy Foods, Other Counseling (Psychological)

Nancy Volpert is the Director of Public Policy for Jewish Family Service of Los Angeles (JFS), which is a multi-service agency whose goals are to strengthen and preserve individual, family and community life by providing a wide range of needed human services to people in the community at every stage of the life cycle, especially those who are poor and disadvantaged. Over 160 years old, JFS was the first charitable organization established in Los Angeles. JFS serves more than 100,000 individuals of all ages, ethnicities and backgrounds each year. JFS distributes over 3 million pounds of groceries to low-income Los Angeles residents annually. JFS helps survivors of domestic violence regain their independence and self sufficiency. JFS provides counseling, case management, nutrition and

compassionate care for 30,000 older adults each year. Located throughout Los Angeles, JFS' neighborhood centers provide recreational activities, educational programs, mental health services, care management and more.

Yolanda Anguiano – Job Training Coordinator, MEND (Meet Each Need with Dignity)

- Region(s): East Valley
- Targeted Initiative(s): Healthcare, Childcare, Homeless Services, Education, Access to Technology
- Other Initiative(s): Hiring or Training of Disadvantaged Persons, Hiring or Training of Targeted Populations, Access to Healthy Foods

Yolanda Anguiano is a Job Training Coordinator for MEND (Meet Each Need with Dignity), which serves an average of 38,500 (and as many as 49,000) poverty-level clients each month. It is the largest, most efficient and comprehensive poverty-relief organization in the San Fernando Valley. Through its vast array of programs, MEND provides food; clothing; medical, dental and eye care; job training; classes for adults in English as a Second Language, literacy, computers, office skills, sewing and parenting; math, reading and science tutoring for kids; showers and other services for the homeless; a home garden training program for 109 families in 2014; and an annual Holiday Basket Program for 1,200 pre-screened families in need. Additionally, MEND has 81 transitional employees in its job training program, which is part of the GAIN, CalWORKS Welfare-to-Work Program.

CONCLUSION

With the six (6) candidates selected by staff for recommendation, the LADF Advisory Board will add representation in all of the targeted initiatives. The following list provides the number of selected candidates that provide representation in each of the targeted initiatives:

- Healthcare: 1 candidate
- Childcare: 3 candidates
- Homeless Services: 4 candidates
- Education: 4 candidates
- Financial Counseling: 1 candidate
- Legal Counseling: 1 candidate
- Access to Technology: 2 candidates

Additionally, the selected candidates will add geographic representation that is focused in six of the seven regions of the City. Although one candidate operates citywide, staff was unable to identify a candidate that focused exclusively on the Downtown region.

ATTACHMENTS

- Advisory Board Candidate Decision Matrix
- Advisory Board Candidate Listing

Tab 5

MEMORANDUM

TO: LADF Board of Directors
FROM: Sandra Rahimi, Manager
DATE: October 12, 2023
SUBJECT: LADF Capital Investment – Information on Cerity Partners Cash Management

RECOMMENDATION

Introduction to the cerity partner cash management service and their platform StoneCastle, exploring the suitability to LADF's Capital Investment Strategy.

SUMMARY AND BACKGROUND

Cerity Partners is a financial services firm specializing in customized solutions for nonprofits. They have teamed up with StoneCastle Network to create a Cash Management system aimed at streamlining cash handling through a single platform. This system is integrated with a network of over 900 banks across all 50 states and offers a series of features that could be pertinent to LADF's objectives.

Features Offered by StoneCastle Network (<https://www.stonecastle.com/>)

All-in-One Platform

- Designed for batch management of multiple bank accounts
- Facilitates fund transfers from existing bank

Convenience

- Setup process facilitated through DocuSign, eliminating the need for a bank visit for signers
- Liquidity: Fund generally available on the next business day, subject to a 3:00 PM ET cut-off.

Extensive FDIC Coverage

- Up to \$25 million in FDIC insurance per tax ID, with options for even higher coverage
- The partner banks in the FICA network are FDIC and NCUA insured, providing up to \$250,000 of coverage per depositor per bank.

Competitive Yield (as of 09-03-2023)

- 4.73% APY on the first \$1 million of deposits
- 3.95% on deposits between \$1-25 million

* The Annual Percentage Yield is subject to change and may differ for accounts with varying deposit amounts. It is effective as of a certain date and can change due to market conditions.

Flexibility and Transparency

- \$100K account minimum, no transaction fees, and unlimited transactions
- Monthly interest income
- Simple online access 24/7
- Receive a single Form 1099 for tax simplicity
- Anonymous participation ensuring no unsolicited contact from in-network banks or program custodian

Given the high-yield rates, extensive FDIC insurance, ease of setup, and convenience features like DocuSign, Cerity Partners Cash Management system aligns closely with LADF's financial goals and operational requirements. The ability to manage multiple bank accounts from a single platform is especially beneficial for streamlining our financial processes.

Attachment : Cerity Partners Cash Management Fact Sheet September 5, 2023

Cerity Partners Cash Management

Yield. Safety. Liquidity.

September 5, 2023

Cerity Partners has partnered with StoneCastle Network, LLC (“StoneCastle”) and their Federally Insured Cash Account (FICA®) Program to introduce Cerity Partners Cash Management, a cash solution with enhanced yield and high levels of FDIC insurance. Through a network of 900+ banks across all 50 states, Cerity Partners Cash Management is able to offer competitive deposits rates and additional FDIC insurance. Cerity Partners Cash Management is available for individual, joint, trust, limited partnerships, LLC, and non-profit accounts.

Why Cerity Partners Cash Management?

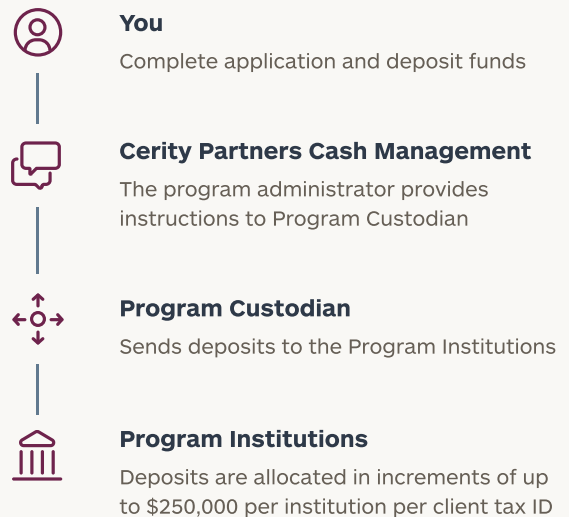
- **Competitive Yield:** 4.73% APY on the first \$1mm of deposits, 3.95% on deposits between \$1-25mm (blended rate)¹
- **Coverage:** Up to \$25mm in FDIC insurance per tax ID (ability to provide higher coverage)
- **Liquidity:** Next day liquidity & same day deposits²
- **Ease of Use:** Single account, single Form 1099, and online portal access
- **Flexible:** \$100K account minimum, no transaction fees and unlimited transactions

What to Expect

- Receive monthly interest income
- Simple online access to account information 24/7 with unlimited transaction capability
- Receive only one Form 1099 to keep tax reporting simple
- Remain anonymous to the program custodian and in-network banks, so you won't be solicited

How Does it Work?

The program administrator maintains relationships with 900+ banks across all 50 states. Client funds are distributed across the network of banks to ensure FDIC insurance per tax ID, while providing a competitive yield.



Questions?

Please contact a Cerity Partners advisor.

All information contained herein is for informational purposes only and should not be construed as investment advice from StoneCastle. It does not constitute an offer, solicitation or recommendation to purchase any security. Some information contained in this fact sheet has been obtained from sources believed to be reliable, but it cannot be guaranteed by StoneCastle or any of its affiliates.

StoneCastle is not a bank, nor does it offer bank deposits and its services are not guaranteed or insured by the FDIC, NCUA or any other governmental agency.

FICA satisfies the FDIC's requirements for agency pass-through deposit insurance coverage. Program banks in the FICA network are FDIC-insured "banks" and "savings associations" as those terms are defined in the Federal Deposit Insurance Act. The current FDIC Limit is \$250,000 per depositor per bank. The NCUA operates the National Credit Union Share Insurance Fund (NCUSIF) to protect accounts at federally insured credit unions up to \$250,000.

FICA is not a member of FDIC or NCUA, but the depository banks where your money is placed are FDIC and NCUA members. FDIC and NCUA are independent agencies of the U.S. government that protects the funds depositors place in FDIC and NCUA insured institutions. FDIC and NCUA deposit insurance is backed by the full faith and credit of the U.S. government. Funds may be submitted for deposit only after a depositor enters into a FICA agreement. The Agreement contains important information and conditions regarding the depositing of funds.

* Minimum initial deposit subject to change. After initial deposit requirements have been met, deposit balances, as the result of withdrawals/transfers, may go below the required minimum initial deposit requirement.

1. APY is effective as of September 5, 2023 and is earned on the first \$1 million. Accounts with deposits between \$1 million and \$25 million will earn a blended rate. Please contact your financial advisor to determine blended rate. Current yield and maximum deposit insurance coverage is indicative for FICA and may be lower or higher than what is stated due to changes in market or business conditions. Please contact your financial advisor for the most current yield and maximum deposit insurance coverage as they may have changed since the date of this fact sheet. FICA yield is the APY (annual percentage yield) based on APR (annual percentage rate) for the period indicated as reported by StoneCastle. The Annual Percentage Yield (APY) paid by program banks is subject to change at any time at the program banks' discretion.
2. Liquidity is ordinarily available on a next business day basis. Same day purchase credit and next day liquidity redemptions are subject to a 3:00 PM ET cut-off. Please carefully read the current FICA Program Terms and Conditions for more complete information and the governing terms of the account (including liquidity, fees, terms, etc.). This can be found at ceritypartners.advisor.cash.
3. Balances held in client Custody Accounts may not receive FDIC and NCUA insurance. If you have any cash at any depository institution that is in the bank network then you may not receive full FDIC or NCUA insurance coverage on your deposits at those institutions.

FICA® is a registered trademark of StoneCastle Cash Management, LLC. StoneCastle Cash Management and Cerity Partners, LLC are not affiliated.

Cerity Partners assesses a fee for managing and overseeing Cerity Partners Cash Management. Clients will not be assessed an additional Cerity Partners investment advisory fee on any assets in the Cerity Partners Cash Management solution.

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Tab 6

Request for Proposal #006

October 12, 2023

INTRODUCTION/BACKGROUND

The Los Angeles Development Fund (LADF) is a California nonprofit corporation (Corporation) created by the City of Los Angeles to apply for and administer the City's New Markets Tax Credits (NMTC) program. The LADF is a certified Community Development Entity (CDE), which has received \$360 million in NMTC allocations since its founding in 2007, including a \$50 million award in the most recent, 2022 round. The controlling entity of the LADF is the City of Los Angeles. The LADF uses its tax credit allocation to generate investment capital which is used to provide flexible financing to eligible borrowers to build economic development projects in low-income communities throughout the City of Los Angeles. The LADF's investment decisions are made by a five-member Governing Board after consultation with the LADF's 11-member Advisory Board. The LADF's Governing Board is composed of City officials who serve ex-officio.

In February 2009, the City Council authorized the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) to act as the management agent for the LADF. In this capacity, the CRA/LA provided administrative and management services to the LADF and oversaw all aspects of the NMTC program until February 2013. Since the expiration of the management services agreement with CRA/LA in February 2013, LADF has relocated its operations to the offices of the Los Angeles Housing Department, where LADF operates independently and self-manages its NMTC allocation.

The LADF Governing Board wishes to take a proactive and strategic approach to creating economic development opportunities with its NMTC investments. As a support entity for the City of Los Angeles, LADF is committed to supporting the City's goals of job creation, economic equality, and revenue generation by participating in City initiatives.

The LADF has recently approved the launch of a new microloan program aimed at assisting small businesses located in City-established JEDI Zones. To facilitate this initiative, the LADF is seeking the services of a qualified vendor to assist with outreach, underwriting, closing, servicing, and reporting for this loan program. These services should align with the provisions outlined in Exhibit A (Scope of Work) in this RFP (Request for Proposal).

PROPOSAL REQUIREMENTS & INSTRUCTIONS

1. TECHNICAL REQUIREMENTS

1.1. Scope of Work

The scope of services required is described in detail in the Statement of Work, attached hereto as **Exhibit A**.

1.2. Schedule of Performance

Services of the consultant(s) are expected to commence in **January 2024** and continue through **January 2030**.

2. PROPOSAL INSTRUCTIONS & CONTENT

2.1. Proposal Format

2.1.1. The LADF desires succinct proposals addressing the specific information requested herein. All proposals shall be in the format described herein. In order to ensure that each proposal is reviewed and evaluated properly, it is important that each proposal follows the format with care. The proposal shall address all requirements in this RFP.

2.1.2. Statements shall be organized in the order presented in **Section 2.5** and shall have tabs keyed to the requirements outlined in this section. Proposals shall be a straightforward delineation of the Respondent's capability to satisfy the intent and requirements of this RFP, and shall not contain redundancies and conflicting statements.

2.1.3. All proprietary information shall be identified as such by the respondent. (Refer to **Section 4.2**, Restriction on the Disclosure of Data)

2.1.4. Submittals. The LADF prefers that proposals be submitted by email to:

Attention: Sandra Rahimi
Sandra.Rahimi@lacity.org

Hard copy submittals are not required, but may be delivered to:

Los Angeles Development Fund
1200 West 7th Street, 8th Floor
Los Angeles, CA 90017
Attention: Sandra Rahimi

2.1.5. **Electronic submittals acceptable up to a total of 25 MB total per submission. Hard copy submittals are not required but shall be accepted 24 hours after the deadline so long as the electronic submittal is on time.**

2.1.6. On-Time Delivery. It is the sole responsibility of the firm submitting the proposal to see that it is delivered on time. Any proposal submitted after **Friday, XX, 2023, 2:00 PM PST** may be rejected. The firm is entirely responsible for the means of delivering the proposal to the appropriate location on time.

2.1.7. Erasures. The proposal submitted must not contain erasures, interlineations, or other corrections unless each correction is authenticated by signing in the margin, immediately opposite the correction, by the person signing the proposal.

2.1.8. Signature. The proposal must be signed in the name of the firm and must bear the signature of the person authorized to sign proposals on behalf of the firm.

2.2. Completion of Proposals

Proposals shall be completed in all respects as required by the instructions herein. A proposal may be rejected if it is conditional or incomplete, or if it contains alterations of form or other irregularities of any kind. A proposal will be rejected if, in the opinion of the LADF, the information contained therein was intended to erroneously and fallaciously mislead the LADF in the evaluation of the proposal.

2.3. Examination of Contract Documents

2.3.1. Firms shall thoroughly examine the contents of this RFP. The failure or omission of any firm to receive or examine any contract document, form, instrument, addendum, or other document shall in no way relieve the firm from obligations with respect to this RFP or to the contract to be awarded. The submission of a proposal shall be taken as prima facie evidence of compliance with this section.

2.3.2. If the firm discovers any ambiguity, conflict, discrepancy, omission or other errors on the RFP, the firm shall immediately notify the LADF of the error in writing and request modification or clarification of the document. Clarifications shall be given by written notice to all firms participating in the RFP, without divulging the source of the request for same. Modifications shall be made by addendum issued pursuant to **Section 4.1**.

2.3.3. If a firm fails to notify the LADF of an error in the RFP before the date scheduled for submission of proposals, or of an error, which reasonably should have been known to the firm, the firm shall submit the proposal at its own risk. If the contract is awarded to the firm, the firm shall not be entitled to additional compensation or time by reason of the error or its subsequent correction.

2.4. Questions, Inquiries and Clarifications

2.4.1. Contact Individuals. All requests for information or questions in connection with this RFP shall be addressed to the individual named below:

Sandra Rahimi
Sandra.Rahimi@lacity.org
(213) 808-8959

2.4.2. LADF Responses. All responses to questions, inquiries or clarifications will be issued in writing via email by the designated contact from LADF. Firms shall be solely responsible for checking their email for any and all responses to questions and/or inquiries. THE LADF WILL NOT MAIL ANY RESPONSES TO QUESTIONS, INQUIRIES OR CLARIFICATIONS. Oral statements regarding this RFP by any persons should be considered unverified information unless received in a written email format. To ensure a response, questions, inquiries or clarifications must be received in writing via email by **Thursday, XX, 2023, 2:00 PM PST**.

2.5. Proposal Content

2.5.1. Technical Proposal. The Technical Proposal shall include the following:

2.5.1(a) Cover Letter. Two (2) single-spaced pages maximum, signed by a principal or authorized officer of the proposing firm, summarizing the major points contained in the proposal, and providing the name, address and telephone number of the key contact person.

2.5.1(b) Firm Description. A brief summary description of your firm, including its principal line of business, the year founded, form of organization (corporation, partnership, sole proprietorship, etc.), number and location of offices, and name, title, and telephone number of your firm's representative.

2.5.1(c) Identification of Principal and/or Project Team. Identify the firm's principal and contact person responsible for performing services for this project and which office they work from. Also identify a list of the key personnel who will be providing the services required in this RFP, including job title/classification of each. Identify the role of each key personnel and include professional resumes of each. The minimum information to be included in the resumes shall include the person's education, showing related certificates, degrees, schools and dates; work experience, showing previous employers, job titles and functions by calendar date (month/year) and by duration in months and years; and other information as relevant to the specific assignment.

2.5.1(d) Subcontractors / Sub-consultants. Identify any sub-consultants your firm will employ on this project and describe the scope of services each will perform. Include the company name, address, contact person, telephone number and description of services to be provided by each company as well as professional resumes for key personnel at the subcontractor. The minimum information to be included in the resumes shall include the person's education, showing related certificates, degrees, schools and dates; work experience, showing previous employers, job titles and functions by calendar date (month/year) and by duration in months and years; and other information as relevant to the specific assignment.

2.5.1(e) Comparable Experience. Identify and describe other projects your firm has completed which are comparable to the services described in this RFP.

2.5.1(f) References. List at least three (3) references of companies or persons who have utilized your firm's services and who have direct knowledge of your firm's experience and work. References should include client name and address, description or nature of services provided, and a contact name with his or her email address and telephone number. It is preferable that the contact be an individual who has direct experience with your firm. Additionally, please include a list of any other public sector clients for whom your firm has provided similar services. The LADF, at its discretion, may contact these references for further inquiry in its assessment of your firm.

2.5.1(g) Process. Describe your firm's proposed methodology/approach in providing the services described herein.

2.5.1(h) Current Workload. Include a brief description of other public agencies or private sector clients with which your firm is currently involved in performing similar services required herein. Address the availability of your staff to provide services in a timely manner.

2.5.1(i) Particular/Unique Qualifications. Describe why your firm is particularly qualified to provide services required herein.

2.5.1(j) Conflicts of Interest. Describe any existing or potential conflicts of interest or any other problems that exist or may arise in performing the services described in this RFP.

2.5.2. Cost Proposal. The Cost Proposal shall include the following:

2.5.2(a) Please provide a list of job classifications and their fully burdened costs, which should encompass one-time charges or a percentage of the loan amount, reflecting the comprehensive financial scope of outreach costs, origination fees, underwriting fees, loan processing fees, and loan servicing fees.

2.5.2(b) Estimated cost per loan including job classification and cost proposed per loan.

2.5.2(c) Detailed reimbursable costs for the preparation or execution of the services described in this RFP, if any.

2.5.3. Appendix. The Appendix shall include responses to all Attachments listed in **Section 6**.

2.6. Standard Terms and Conditions

2.6.1. Compliance with LADF's Standard Terms and Conditions. The firm shall be required to comply with the LADF's Standard Terms and Conditions. LADF's Standard Terms and Conditions are attached as **Attachment 1**. All provisions of the LADF's Standard Terms and Conditions shall be incorporated into the final contract, which may result from this solicitation.

2.6.2 Affirmative Statement of Review of Standard Terms and Conditions. Please prepare and complete an Affirmative Statement of Review of Standard Terms and Conditions. Please include a statement in your response similar to the following:

"We _____ (enter the name of your firm) have reviewed the LADF's Standard Terms and Conditions as specified in this LADF – RFP #006, and accept the provisions as outlined therein."

Please provide a detailed explanation in your response for any and all exceptions and/or deviations to the LADF's Standard Terms and Conditions.

2.7. Period for Acceptance of Offer

In compliance with this RFP, the firm agrees to perform the services as required herein at the prices and costs offered if its offer (i.e. its Technical and Cost Proposals) is accepted by the LADF within 180 days from the due date of proposals.

3. EVALUATION AND SELECTION PROCESS

3.1. Qualifications Required

3.1.1. Demonstrated track record of successfully managing micro-loan underwriting, encompassing tasks such as marketing the program, identifying candidates, assessing borrower creditworthiness, making precise loan eligibility determinations, and establishing a reputation as a leading authority in the field.

-
- 3.1.2. Demonstrated history of loan underwriting experience and expertise in risk assessment.
 - 3.1.3. Experience in maintaining records for regulatory compliance and generating monthly, quarterly, and semiannual reports.
 - 3.1.4. Experience in working with government, nonprofit organizations, and small businesses.
 - 3.1.5. Familiarity with the City of Los Angeles, especially City departments and City initiatives, and the City's relationships with county, state and federal government.

3.2. LADF Evaluation Criteria.

3.2.1. The LADF will evaluate all proposals received in response to this RFP based on the following criteria:

3.2.1(a) Qualifications, skills, education, and experience of the firm and the personnel who would be assigned to perform the services required herein.

3.2.1(b) Documented past performance in terms of quality of services, product, timeliness, responsiveness, and completeness.

3.2.1(c) Proposed costs and fees, including overall financial feasibility of cost proposal.

3.2.1(d) Quality of the proposal, including thoroughness, logic, completeness, clarity, and methodology/approach, appropriate level of detail and overall responsiveness.

4. GENERAL NOTICES

4.1. Amendments to the RFP

4.1.1. Written Amendments. Any modifications to this solicitation shall be effected in writing and issued as an RFP Amendment Addendum by the LADF. If this solicitation is amended, then all terms and conditions that are not modified remain unchanged. Firms will have sole responsibility for checking their email or the LADF website for any RFP Amendment Addenda. THE LADF WILL NOT MAIL RFP AMENDMENT ADDENDA.

4.1.2. Acknowledgement of Receipt. All interested firms shall acknowledge receipt of any amendment to this solicitation by including a statement in its proposal that it has received the amendment and identifying the amendment number, if any.

4.2. Restriction on Disclosure of Data

Non-Disclosure Markings and Restrictive Legends. Prospective firms which include data or information in their proposals that they do not want disclosed to the public for any purpose or used by the LADF except for evaluation purposes, shall:

4.2.1. Mark the title page with the following legend: "This proposal includes data that shall not be disclosed outside the LADF and shall not be duplicated, used, or disclosed – in whole or part – for any purpose other than to evaluate this proposal, subject to the California Public Records Act. If, however, a contract is awarded to this prospective firm as a result of, or in connection with, the submission of this data, the LADF shall have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the LADF's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheets)".

4.2.2. Mark each sheet of data it wishes to restrict with the following legend: "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

4.3. Proposal Preparation Expenses

Liability for Expenses. The LADF will not, in any event, be liable for any pre-contractual and proposal preparation expenses incurred by the prospective firm. The prospective firm shall not include any such expenses as a part of the price proposed in response to this RFP.

4.4. Rejection of Proposals

Issuance of this RFP and receipt of proposals does not commit the LADF to enter into any contract. The LADF reserves the right to postpone opening of proposals for its own convenience, and to accept or reject any and all proposals received if such actions are in the LADF's interest.

4.5. Right to Negotiate

The LADF reserves the right to negotiate with firms other than the selected firm should negotiations with the selected firm be terminated. Moreover, the LADF reserves the right to negotiate the terms and conditions of the final contract with more than one firm simultaneously, or to cancel all or part of this solicitation, when it is in the LADF's interest to do so.

4.6. Evaluation

Proposals will be evaluated strictly on the content provided by the respondent. The Cost Proposal will impact the overall decision, but it will not be the only factor taken into consideration. The perceived quality and ability to deliver proposed services are also critical to the evaluation.

5. EXHIBITS

5.1. Scope of Work (Exhibit A)

5.2. LADF JEDI Microloan Program Proposed Term Sheet (Exhibit B)

6. ATTACHMENTS

The following documents and forms listed are to be provided in separate electronic files, and are incorporated as attachments to this RFP. Please review each document and provide responses to LADF

as instructed below:

6.1. LADF Standard Terms and Conditions (Attachment 1) – pursuant to **Section 2.6**, prepare and complete an Affirmative Statement of Review of Standard and Additional Terms and Conditions and include in the Appendix of the “Original” submission packet

6.2. LADF Business Profile Form (Attachment 2) – complete for the prime (lead) contractor and for each proposed sub-contractor (*if applicable*) and include in the Appendix of the “Original” submission packet

6.3. Responsibility Questionnaire (Attachment 3) – complete and include in the Appendix of the “Original” submission packet

6.4. Equal Benefits Ordinance Compliance Form (Attachment 4) - complete and include in the Appendix of the “Original” submission packet

6.5. Living Wage Ordinance Compliance Form (Attachment 5) - complete and include in the Appendix of the “Original” submission packet

6.6. Non-Profit/One Person Contractor Exemption from Living Wage Form (Attachment 6) – complete, *if applicable*, and include in the Appendix of the “Original” submission packet

LWO/SCWRO Subcontractor Compliance Form (Attachment 7) – complete for each sub-consultant (*if applicable*) and include in the Appendix

**EXHIBIT A
SCOPE OF WORK
MICROLOAN UNDERWRITING SERVICES**

SCOPE OF SERVICES

The proposal and the final products should include, but are not limited to, the services in the list below. Your firm should add appropriate items based on your experience and what you believe will provide the best direction and results for the LADF:

Microloan Underwriting Services:

1. Program Outreach and Borrower Screening

- Develop and execute outreach programs to attract potential borrowers.
- Screen and assess potential borrowers for eligibility and creditworthiness.

2. Loan Underwriting Services

- Review loan applications and associated documentation.
- Assess the creditworthiness of loan applicants.
- Determine appropriate loan structures and terms.
- Provide recommendations for loan approval or denial.
- Ensure compliance with lending regulations and internal policies.

3. Loan Application Processing and Document Standardization

- Streamline the loan application process for efficiency.
- Close using standardized loan documentation.

4. Loan Servicing Services

- Administer loan disbursements, billings, and repayments.
- Maintain accurate and up-to-date loan records.
- Handle customer inquiries and requests related to loan accounts.
- Monitor loan performance and collections.
- Implement loan modifications, deferments, and forbearances as necessary.
- Generate loan statements, payment schedules, and annual tax documents.

5. Compliance and Regulatory Adherence

- Stay updated with federal, state, and local lending regulations.
- Ensure full compliance with all applicable laws and regulations.
- Gather borrower and guarantor compliance documents such as annual financial statements, tax returns and semi-annual income statement.

- Assist with regulatory examinations, audits, and inquiries.

6. Reporting

- Provide regular reports and updates on loan portfolio performance. Reports will be initially required monthly and will transition to quarterly and semiannually over time.
- Occasionally, the LADF may request that the consultant attend one of the regularly scheduled meetings of LADF's Board of Directors to provide progress reports and updates.

7. Risk Management

- Identify and in consultation with LADF staff mitigate potential risks related to loan underwriting and servicing.
- Develop and implement risk management strategies.
- Monitor and report on the quality of the loan portfolio.

Exhibit B:

Los Angeles Development Fund JEDI Microloan Loan Program Proposed Term Sheet	
<p>Program Summary:</p> <p>The program, with an initial funding of \$1 million, is dedicated to aiding businesses in low-income communities by offering them financing for enhancements under more favorable terms and rates than the prevailing market conditions.</p> <p>Aligned with the 2020 City Council-approved JEDI Zone Policy, this initiative aims to foster growth in underserved areas and provide financial incentives for development.</p> <p>Implemented as a pilot program, the loan primarily targets small businesses located in City-established JEDI Zones, with a preference for those in NMTC qualifying census tracts, providing crucial support to these businesses.</p>	
	PROPOSED LOAN TERM
Target Borrower	Small businesses in City-established JEDI Zones, with preference for NMTC qualifying census tracts.
Initial Program Funding	\$1,000,000
Eligibility Criteria	<ul style="list-style-type: none"> - Located in City designated JEDI Zones (preference for NMTC qualifying census tracts) - Microenterprises, ESOPs, startups (<2 years), non-profits, and other small business owners - No minimum credit score, reasonable credit history - Up to \$3 million in revenue - Cash Flow Ratio: 1.1 : 1.0 - Borrower must not qualify for other financing with economically feasible rates and fees - - 2 years of industry experience (or acceptable ESOP management)
Eligible Uses	<ul style="list-style-type: none"> - Working capital - equipment, inventory - business acquisition (focus on ESOPs) - startup capital - improvements (subject to environmental review) - loan refinancing

Ineligible Uses	<ul style="list-style-type: none"> - Personal use - paying off personal/business tax liens
Loan Types	<ul style="list-style-type: none"> - Fixed-Rate loan with no payments for the first 12 months - interest accrues in the first year.
Loan Term	<ul style="list-style-type: none"> - 1 to 5 years (up to 7 years for equipment purchase).
Loan Amounts	\$10,000 to \$50,000 per borrower.
Fees	<ul style="list-style-type: none"> - Application fee: \$0 - Origination fee: \$0 <p>*Borrowers are responsible for third-party closing and monitoring costs.</p>
Interest Rates	Fixed at 1% plus third-party servicing fee.
Security	<p>Preferably secured, with collateral options including</p> <ul style="list-style-type: none"> - personal guaranty, - UCC filing, - equipment, - intellectual property <p>and other assets</p>
Public Benefit	<p>Must meet at least ONE of the following public benefit(s):</p> <ul style="list-style-type: none"> - Job creation/retention - Location in an area with - poverty rate equal to or greater than 30%, or - median income equal to or less than 60% of Area Median Income (AMI), or - Unemployment rate of 1.5x the national average or greater - Borrower meets NMTC Targeted population criteria by providing at least 60% of jobs or goods and services to low-income individuals.
Approval Process	<ul style="list-style-type: none"> - Third-party review and underwriting, - final approval by LADF staff or Governing Board if proposed loan and/or borrower has merit but does not meet program standard guidelines.
Loan Documents	<ul style="list-style-type: none"> - Loan Agreement - Promissory Note

	<ul style="list-style-type: none"> - Collateral Security Agreement - Personal Guaranty - Corporate Guaranty (if applicable)
Risk Management	<ul style="list-style-type: none"> - Credit assessments - quarterly financial statement reviews - monitoring to mitigate default risks
Ineligible Businesses	<p>Any business engaged in activities ineligible for NMTC financing such as</p> <ul style="list-style-type: none"> - Golf courses (private or commercial) - Country Clubs - Massage parlors - Hot tub facilities - Suntan facilities - Racetracks or gambling facilities - Stores primarily selling alcoholic beverages for off-premises consumption <p>Additional Ineligible Businesses</p> <ul style="list-style-type: none"> - Home-based businesses - Rideshare businesses - Landlords/Schedule E Passive Income - Businesses or companies held in trust - Businesses that do not have a physical location, using P.O. Boxes as a business address - Businesses engaged in illegal activities, such as selling drug paraphernalia or operating a motel that permits prostitution - Cannabis businesses or businesses that support cannabis businesses - Corporate-owned franchises (a corporation is responsible for operations, profit and loss, business decisions and quality control; corporate hires and oversees all store staff) - Publicly traded companies - Private social clubs that limit the number of memberships for reasons other than capacity - Payday loan stores, pawnshops and other firms involved in lending activities, such as banks, finance companies and any other firm whose stock in trade is money Insurance companies, such as life, auto, home, bail bonds and other similar entities - Astrology, palm reading, tarot, etc.

	<ul style="list-style-type: none">- Liquor stores and smoke shops- Night clubs- Adult bookstores- Businesses and Sole proprietors that provide massage services- Businesses that present live performances of a prurient sexual nature and/or derive revenue through the sale of products or services of a prurient sexual nature- Gambling businesses (i.e., track wagering facilities, casinos, bingo parlors)- Trailer-storage yards and junkyards- Gun or ammunition stores- Multi-sales distribution- Firms involved in speculative activities (i.e., day trading, stock market exchange facilitators)- Dealers of rare coins and stamps- Lobbying firms or businesses that dedicate 50% or more of their time or resources to lobbying activities- Churches or other religious organizations unless funds for social enterprise or community development programs- Government offices or agencies
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LOS ANGELES DEVELOPMENT FUND STANDARD TERMS AND CONDITIONS

1. Personnel

- a. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall be independent contractors and shall not be agents or employees of or have any contractual relationship with the Los Angeles Development Fund (LADF).
- b. All the services required hereunder will be performed by the Contractor or personnel under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under Federal, State and local law to perform such services.
- c. No person who is serving sentence in a penal or correctional institution shall be employed on work under this Agreement.

2. Subcontracting

None of the services covered by this Agreement shall be subcontracted by the Contractor without the prior written consent of the LADF. Any such subcontracting must be reported to and approved by the LADF in advance. Requests for subcontracting shall be submitted to the LADF in writing, describing the services to be subcontracted and the name(s) of the proposed subcontractor(s). Such request(s) shall state the lump sum price or hourly rates used in preparing an estimated cost for the subcontractor(s) services. Approval of the subcontractor(s) shall be issued in writing by the LADF.

Subcontractor(s) shall be subject to all the terms and conditions of this Agreement and Contractor shall incorporate the applicable terms and conditions of the Agreement into all subcontracts. The Contractor shall monitor and evaluate the performance of all subcontracts let under this Agreement, and shall be responsible for the acts and omissions of said subcontractors, and of persons either directly or indirectly employed by them, as it is for the acts and omissions of persons directly employed by it.

3. Insurance

a. Workers' Compensation

In accordance with State Compensation laws, the Contractor shall carry Workers' Compensation and Employers' Liability Insurance for all persons employed in the performance of services under this Agreement. The Contractor shall provide the LADF with a certificate verifying such coverage or endorsement acceptable to the LADF before commencing services under this Agreement. Such policy shall require thirty (30) days notice to the LADF in writing prior to cancellation, termination or expiration of any kind or modification of any of the coverage there under.

b. Liability (Bodily Injury and Property Damage)

The Contractor shall carry Commercial General Liability Insurance (Bodily Injury and Property Damage) in an amount of not less than \$1,000,000 per occurrence with a \$2,000,000 aggregate, combined single limits, unless otherwise specified in the Basic Agreement, and the Contractor shall provide the LADF with certificates verifying such coverage acceptable to the LADF before

commencing services under this Agreement. The certificate must be followed within sixty (60) days by an endorsement to the insurance policy. Such policy shall require thirty (30) days notice to the LADF in writing prior to cancellation, termination or expiration of any kind or modification of any of the coverage there under. All Commercial General Liability insurance policies shall name the LADF and the City of Los Angeles as additional insured's.

c. Modifications to Insurance Coverage's

The LADF reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving the Contractor a minimum thirty (30) days advance written notice of such change. If such change(s) should result in substantial additional cost to the Contractor, the LADF agrees to negotiate additional compensation proportional to the increased benefit to the LADF and City of Los Angeles. Any increase to the compensation to be paid under the Agreement shall be accomplished by amendment to the Agreement which may require approval by the Board of Directors.

Note: Receipt of an original certificate of insurance will be accepted by the LADF as compliance with the above requirements. All certificates/endorsements must clearly state the relevant contract number, the description of insured premises, and be sent to the attention of the Los Angeles Development Fund.

4. Permits

The Contractor and its officers, agents and employees shall obtain and maintain all permits, licenses, inspections, certifications and/or services pursuant to this provision, necessary for the Contractor's performance hereunder. The Contractor shall pay any and all fees required and shall not be entitled to any additional compensation under the Agreement for such fees unless specifically provided for in the Agreement. Contractor shall immediately notify the LADF of any suspension, termination, lapse, non-renewals or restriction of permits, licenses, certifications or other approval necessary for the performance of services under the Agreement

5. City of Los Angeles Business Tax Registration Certificate (Business License)

For the term of this Agreement, Contractor shall comply with the business licensing requirements as required by the Los Angeles Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following of the Los Angeles Municipal Code). Unless otherwise exempted, Contractor represents that it has or will obtain as necessary, a Business Tax Registration Certificate (BTRC) or Vendor Registration Number (VRN) issued by the City of Los Angeles and shall not allow any such certificate(s) to expire be revoked or suspended for the duration of this Agreement. Any such expiration, revocation or suspension of Contractor's BTRC or VRN may be deemed a breach of the Agreement by the LADF

6. Interest of Federal and Local Public Officials and Members of the LADF

Members of or Delegates of the United States Congress, Resident Directors, and members of the governing body of the LADF and City and their respective officers, employees and/or agents, who exercises any functions or responsibilities in connection with the review or approval in carrying out the purposes to which this Agreement pertains shall not obtain any interest in share or part of this Agreement or any benefit to arise here from. Said Members described in the foregoing shall not have any personal interest, direct or indirect, in this Agreement. The Contractor shall notify the LADF immediately in writing whenever a conflict of interest exists as described in this section.

7. Conflict of Interest

- a. The Contractor covenants that it presently has no interest and shall not acquire any possessory or ownership interest, direct or indirect, in the area of the project pertaining to this Agreement, of any parcels therein or any other interest which would conflict in any manner or degree with the performance of its services hereunder. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed or contracted with.
- b. The Contractor further covenants and agrees that, except as disclosed in writing to the LADF, it is not now employed by, associated with (as a partner, joint venture or otherwise) or under contract to represent any party with respect to any matter in which such party has an interest that is adverse to or conflicting with the interests of the LADF, and that it will not accept such employment or enter into any such association or agreement during the term of this Agreement unless it discloses such relationship to the LADF in writing and the LADF approves such relationship in writing.
- c. For the duration of this Agreement, the Contractor shall not act as consultant or perform services of any kind for any person or entity in regard to the Agreement without the prior written consent of the LADF.
- d. The Contractor warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement; including any person on the selection committee, and that there is no financial relationship whatsoever between it and any person on the selection committee or at the LADF who is in a position to influence, direct, or award this Agreement.
- e. The LADF shall have the right to terminate this Agreement if it determines in its sole discretion that Contractor's or any of its subcontractor's interests substantially conflict with those of the LADF, and shall not compensate the Contractor for any services performed hereunder.

8. Time of Effectiveness and Amendments to Agreement

- a. Unless otherwise provided, this Agreement, and any amendments thereto shall take effect when all of the following events have occurred:
 - The Agreement has been duly signed by the person or persons authorized to bind the Contractor hereto;
 - The Agreement has been approved by the LADF Board or by an LADF officer or employee; to the extent such individual is authorized to approve the Agreement or amendment to this Agreement. Any unauthorized approval shall be null and void;
 - The Agreement has been duly signed on behalf of the LADF by the person or persons authorized to bind the LADF; and
 - All conditions precedent in the Agreement have been satisfied.

Any amendments or modifications to the Agreement shall be mutually agreed upon between the LADF and the Contractor, and shall be incorporated in written amendments to the Agreement.

9. Termination of Agreement for Cause

- a. If through any cause, the Contractor shall fail to comply with the terms and conditions of this Agreement in a timely and proper manner, the LADF shall have the right to terminate the Agreement.
- b. The LADF shall exercise its right to terminate if the Contractor fails to cure the default(s) within the time specified by the LADF in the written notice specifying the default(s). The LADF shall give written notice to the Contractor at least five (5) days before the effective date of such termination. The Notice will specify the effective termination date.
- c. If, after termination for cause, it is determined that the Contractor was not in default or that the Contractor's failure to perform or to make progress in performance is due to causes beyond the control and without fault or negligence of the Contractor as set forth in the Excusable Delays provision, the rights and obligations of the parties will be the same as if the termination was for the convenience of the LADF.
- d. In such event, all finished or unfinished documents, data, studies, reports and other materials prepared by the Contractor pursuant to this Agreement is LADF property. The Contractor shall be entitled to receive just and equitable compensation for any work completed that has been approved by the LADF Representative(s).
- e. The Contractor shall also transfer title (if not already transferred) and, as directed by the LADF Representative(s), deliver to the LADF completed or partially completed work and other materials produced or acquired for the work terminated, completed or partially completed plans, drawings, information, studies, and reports prepared by the Contractor, and other property that, if the Agreement had been completed, would be required to be furnished to the LADF. Upon direction by the LADF's President or designee, the Contractor shall also protect and preserve any other property in its possession in which the LADF has an interest.
- f. Notwithstanding the above, the Contractor shall not be relieved of liability to the LADF for damages sustained by the LADF by virtue of any breach of this Agreement by the Contractor. The LADF may withhold any payments to the Contractor until such time as the exact amount of damages due the LADF from the Contractor is determined.
- g. The rights and remedies of the LADF in this termination provision are in addition to any other rights and remedies by law or equity or under this Agreement.

10. Termination for Convenience

The LADF may terminate this Agreement, in whole or in part, when it is in the LADF's interest. The LADF shall terminate the Agreement by delivering to the Contractor a Notice of Termination at least thirty (30) days before the effective date of such termination. The Notice of Termination shall specify the extent of termination and the effective date. If this Agreement is terminated under this provision, the LADF shall be liable only for payment under the payment provisions of this Agreement for services rendered and allowable expenses incurred before the effective date of termination, less any previous

payments made to the Contractor. These expenses and services must be reviewed and approved by the LADF Representative(s) prior to any payments made to the Contractor.

In the event of termination, the Contractor shall transfer title (if not already transferred) and as directed by the LADF, deliver to the LADF completed or partially completed work and other materials produced or acquired for the work terminated, completed or partially completed plans, drawings, information, studies, and reports prepared by the Contractor, and other property that, if the Agreement had been completed, would be required to be furnished to the LADF. Upon direction by the President or designee, the Contractor shall also protect and preserve any other property in its possession in which the LADF has an interest.

11. Excusable Delays

Neither the LADF nor the Contractor shall be in default because of any failure to perform this Agreement under its terms if the failure arises from causes beyond the control and without the fault or negligence of either party. Examples of these causes are (1) acts of God or public enemy, (2) acts of the Federal Government or any unit of State or Local Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, and (8) freight Embargoes or delays in transportation. Notification of an excusable delay impacting the performance of services under the Agreement shall be made in writing to the other party.

If the LADF determines that any failure to perform the Agreement results from one or more of the causes above, the delivery or performance schedule may be revised, subject to the rights of the LADF under the termination provisions of this Agreement.

12. Correction of Work

The performance of services or LADF's acceptance of the work product furnished by the Contractor pursuant to this Agreement shall not relieve the Contractor from its obligation to correct any incomplete, inaccurate, or defective work discovered. All such work discovered shall be remedied by the Contractor on demand without cost to the LADF.

13. Compliance with Laws

Each party's performance hereunder shall comply with all applicable laws, ordinances and codes of the United States of America, the State of California, the City of Los Angeles and the LADF. The Contractor shall commit no trespass on any public or private property in performing any of the work under this Agreement.

14. Anti-Kickback Rules

Compensation of Contractor's employees and subcontractors performing work under this Agreement shall be paid unconditionally and not less often than once a month without deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback" Act (Title 18 U.S.C., Section 874) (29 CFR, Part 3).

"Kickback," as used in this provision, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided directly or indirectly, to any Contractor, Contractor employee, subcontractor, subcontractor employee for the purpose of improperly obtaining or awarding

favorable treatment in connection with this Agreement or in connection with a subcontract relating to this Agreement.

The Contractor shall incorporate the substance of this provision in all subcontracts under this Agreement.

15. Withholding of Salaries

If, in the performance of this Agreement, there is any underpayment of salaries and/or compensation by the Contractor or by any subcontractor there under, the LADF shall withhold from payments due the Contractor the underpaid amounts which are due the Contractor's or subcontractor's employees. The amount to be withheld shall be computed based on the actual hourly salary rate(s) of the affected employees times the total number of hours each employee worked in relation to this Agreement. The amounts withheld may be disbursed by the LADF on behalf of the Contractor or subcontractor to the respective employees to whom they are due.

16. Claims and Disputes Pertaining to Salary Rates

Claims and disputes pertaining to salary rates or to classifications of employees performing work under this Agreement shall be promptly reported in writing by the Contractor to the LADF for the latter's decision which shall be final with respect thereto.

17. Indemnification

Except for the gross negligence or willful misconduct of the LADF, the Contractor undertakes and agrees to defend, indemnify and hold harmless the LADF, the City of Los Angeles, and any of their respective 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 and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including the Contractor's and subcontractor's officers, employees and agents, for damage or destruction of any property of either party hereto or of third parties, and/or for any other loss or injury arising in any manner by reason of the negligent acts, errors or omissions, or willful misconduct arising from the performance of this Agreement by the Contractor or its subcontractors of any tier.

18. Assignability

The Contractor shall not assign or transfer any interest in this Agreement, (whether by assignment or novation) without the prior written approval of the LADF's President or designee.

19. Bankruptcy

In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish, by certified mail, written notification of the bankruptcy filing complete with case number, to the LADF Representatives listed in the Agreement. The Contractor shall furnish this notification within five days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of other LADF agreement numbers against which final payment has not been made. This obligation remains in effect for the duration of the Agreement and until final payment is made under this Agreement.

20. Ownership of Materials and Documents

Any and all sketches, drawings, tracings, field survey notes, computations, electronic files, details and other materials, documents including computer files and data prepared by the Contractor and/or Contractor's subcontractor(s) pertaining to this Agreement shall be the property of the LADF from the moment of their preparation and the Contractor shall deliver such materials and documents to the LADF whenever requested to do so by the LADF. However, the Contractor and/or the Contractor's subcontractor(s) shall have the right to make duplicate copies of such materials and documents for their own file; or other purposes as may be authorized in writing by the LADF. The LADF shall not, without the Contractor's written consent, associate the Contractor's name with any material not the exclusive product of the Contractor.

Contractor is prohibited from removing any LADF-owned property and any other fixed assets from the LADF's premises. Magnetic media, files, documents and other property belonging to, and/or produced for the LADF pursuant to this Agreement shall not be removed from LADF premises. Removal shall require the prior express written consent of the President or designee.

21. Findings Confidential

All of the reports, information, data, and other documents prepared or assembled by the Contractor under this Agreement are confidential. The Contractor agrees that the reports, information, data, and other documents shall not be made available to any individual or organization without the prior express written consent of the President or designee. Notwithstanding the foregoing, the LADF may be required to disclose any reports, data, documents or other information prepared by Contractor under the Agreement pursuant to the requirements of the California Public Records Act.

22. Access to Books, Documents, Papers and Records

The LADF, the City of Los Angeles, and where applicable, State and/or Federal Government representatives, or any of its duly authorized representatives shall have access to any books, documents, papers and records including computer files of the Contractor which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts and transcriptions.

The Contractor shall maintain records of all details with respect to all matters covered by this Agreement, for a period of five (5) years after receipt of final payment, unless authorization to remove the records sooner is granted in writing by the LADF President or designee.

23. No Attorney's Fees

If either party hereto should retain legal counsel for the purpose of interpreting or enforcing any term or condition of this Agreement, then the prevailing party shall not be entitled to recover any attorney's fees thereby incurred. Each party shall bear its own costs of litigation.

24. Contractor's Status

The Contractor represents that it is an independent contractor for the purposes of this Agreement. In the event of any changes in the Contractor's status, the Contractor shall notify the LADF in writing within five (5) working days. The Contractor shall obtain the required insurance coverages; business licenses; other required licenses; applicable permits; withhold all taxes required by Federal and State statutes; and act as an independent contractor and not as an agent or employee of the LADF. The

Contractor shall not represent itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the LADF.

25. Applicable Law, Interpretation and Enforcement (Choice of Law)

This Agreement shall be enforced and interpreted under the laws of the State of California and the City of Los Angeles. If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement, the validity of the remaining portions of provisions shall not be affected thereby

26. Non-Discrimination

Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, the City of Los Angeles and the LADF, including, but not limited to the following:

- a. During the performance of this Agreement the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, disability (actual or perceived), medical condition, age, source of income, marital status, familial status, domestic partner status, sex, sexual preference/orientation, Acquired Immune Deficiency Syndrome (AIDS) – acquired or perceived, or retaliation for having filed a discrimination complaint (non-discrimination factors). The Contractor will take affirmative steps to ensure that applicants are employed, and that employees are treated during employment without regard to the non-discrimination factors including, and not limited to activities, of: upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay of other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment the non-discrimination factors.
- b. The Contractor will ensure that its solicitations or advertisements for employment are in compliance with the aforementioned non-discrimination factors.
- c. The Contractor will cause the foregoing provisions to be inserted in all contracts for any work covered by Contractor and subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

27. Utilization of Minorities, Women, City of Los Angeles Lower Income Residents and Businesses

The Contractor acknowledges and agrees that it is the policy of the LADF to promote and ensure economic advancement of minorities and women as well as other economically disadvantaged persons through employment and in the award of contracts and subcontracts in the City of Los Angeles. The Contractor shall use its best efforts to the greatest extent feasible to provide outreach to minorities, women, and other employees, contractors and subcontractors possessing the necessary skill, and expertise, and who can render the services in a cost effective and efficient manner.

- a. Utilization of Minority, Women and Other Businesses M/W/OBE

The Contractor shall use its best efforts to the greatest extent feasible to seek out and award and require the award of contracts and subcontracts to contracting firms which are located or

owned in substantial part by persons residing in the City of Los Angeles, and to provide outreach to minority owned, women-owned, and other firms.

b. **Utilization of City of Los Angeles Residents**

The Contractor shall, to the greatest extent feasible, employ a labor force in all categories that is comprised of residents of the City of Los Angeles. The Contractor shall also, to the greatest extent feasible, require that such labor force be proportionately representative of minorities and women residing in the City of Los Angeles. This paragraph shall require the reasonable best efforts of the Contractor but shall not require the hiring of any person unless such person has the experience and ability, and, where necessary, the appropriate trade union affiliation to qualify such person for the job. The Contractor, subcontractor or bidder certifies and agrees that it shall make a good faith effort to include within its employ, thirty percent (30%) of aggregate number of new hires from City of Los Angeles residents.

28. Clean Air Provisions

The Contractor shall agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et Seq.), as amended. Violations shall be reported to the Department of Housing and Urban Development, the City of Los Angeles and the Regional Office of the Environmental Protection Agency.

29. Americans With Disabilities Act

The Contractor hereby certifies that it will comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. The 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. The 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 the Contractor relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

30. Contractor Discount

Contractor agrees to offer the LADF any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discount to payments made under this Agreement which meet the discount terms.

31. Child Support Assignment Orders

Contractor/Consultant shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. Contractor/Consultant assures 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 subdivision (1) of the Public Contract Code 7110.

32. Living Wage, Contractor Responsibility, Service Contractor Retention, and Equal Benefits Policies

All Contractors and their subcontractors doing business with the LADF shall be required to comply with the City of Los Angeles's Living Wage, Contractor Responsibility, Service Contractor Retention, and Equal Benefits Policies. The following provides a summary of the foregoing policies which can be requested and provided in full.

A. Living Wage and Service Contractor Retention Policies

1. Unless otherwise exempt in accordance with the provisions of these Policies, this Contract is subject to the applicable provisions of the Living Wage Policy (LWP) and the Service Contractor Retention Policy (SCRP), as amended from time to time.
 - a. Unless otherwise exempt in accordance with the provisions of these Policies, this Contract is subject to the applicable provisions of the Living Wage Policy (LWP) and the Service Contractor Retention Policy (SCRP), as amended from time to time.
 - b. Contractor further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWP. Contractor shall require each of its subcontractors within the meaning of the LWP 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 LADF 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 the Contractor to comply with the provision in the LWP concerning compliance with such federal law.
 - c. The Contractor, whether an employer, as defined in the LWP, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the LADF with regard to the employer's compliance or anticipated compliance with the LWP, for participating in proceedings related to the LWP, for seeking to enforce his or her rights under the LWP by any lawful means, or otherwise asserting rights under the LWP. Contractor shall post the Notice of Prohibition Against Retaliation.
 - d. Any Subcontract entered into by the Contractor relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of LWP and the SCRП, and shall incorporate the "Living Wage Policy and Service Contractor Retention Policy" language.
 - e. Contractor shall comply with all rules, regulations and policies promulgated by the designated administrative LADF, which may be amended from time to time.
2. Under the provisions of the LWP and SCRП the LADF shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the LADF determines that the subject Contractor has violated provisions of the LWP and/or the SCRП.
3. Where under the LWP the designated administrative LADF has determined (a) that the Contractor is in violation of the LWP in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the LADF in such circumstances may impound monies otherwise due the Contractor in accordance with the following procedures. Impoundment shall mean that from monies due the Contractor, the LADF may deduct the amount determined to be due and owing by the Contractor to its employees. Such monies shall be placed in the holding account referred to in LWP and disposed of under procedures there described through final and

binding arbitration. Whether the Contractor is to continue work following an impoundment shall remain in the unfettered discretion of the LADF. The 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.

4. Earned Income Tax Credit

This Contract is subject to the provision of the LWP requiring employers to inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

B. Equal Benefits Policy

Unless otherwise exempted in accordance with the provisions of the LADF's Equal Benefits Policy (EBP) this Agreement is subject to the provisions of the EBP as amended from time to time.

1. During the performance of this Agreement, the Contractor certifies and represents that it will comply with the EBP. The Contractor agrees to 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 LADF, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the EBP may be obtained from the Office of Contract Compliance at (213) 847-6480.

2. Failure of the Contractor to comply with the EBP will be deemed to be a material breach of the Agreement by the LADF.
3. If the Contractor fails to comply with the EBP the LADF may cancel, terminate or suspend the Agreement, in whole or in part, and all monies due or to become due under the Agreement may be retained by the LADF. The LADF may also pursue any and all other remedies at law or in equity for any breach.
4. Failure to comply with the EBP may be used as evidence against the Contractor in actions taken pursuant to the provisions of the LADF's Contractor Responsibility Policy.
5. If the Designated Administrative Agency (DAA) determines that the Contractor has set up or used its Contracting entity for the purpose of evading the intent of the EBP, the LADF may terminate the Agreement. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of LADF's Contractor Responsibility Policy.

C. Contractor Responsibility Policy

Unless otherwise exempt in accordance with the provisions of the LADF's Policy, this Agreement is subject to the provisions of the Contractor Responsibility Policy (CRP), which requires the Contractor to update its responses to the responsibility questionnaire within thirty (30) calendar days after any change to the responses previously provided if such change would affect Contractor's fitness and ability to continue performing the Agreement. In accordance with the provisions of this Policy, by signing this Agreement, the Contractor pledges, under penalty of perjury, to comply with all applicable Federal, state and local laws in the performance of this

Agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. The Contractor further agrees to:

1. Notify the LADF within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the Contractor is not in compliance with all applicable Federal, state and local laws in performance of this Agreement;
2. Notify the LADF within thirty (30) calendar days of all findings made by a government agency or court of competent jurisdiction that the Contractor has violated the provisions of the CRP;
3. Ensure that its subcontractor(s), as defined in the CRP, submit a Pledge of Compliance to awarding authorities; and
4. Ensure that its subcontractor(s), as defined in the CRP, comply with the requirements of the Pledge of Compliance and the requirement to notify the LADF within thirty (30) calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated the CRP in performance of the subcontract.

33. Construction of Provisions and Titles

All titles appearing herein 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 Agreement shall be construed according to its fair meaning and not strictly for or against the LADF or the Contractor.

34. Number of Originals

The number of original texts of this Agreement shall be at least equal to the number of the parties hereto, one text being retained by each party.

Note: The word Contractor refers to any person, firm, organization, etc. awarded an Agreement by the LADF.

Tab 7

MEMORANDUM

TO: LADF Board of Directors
FROM: Sandra Rahimi, LADF Secretary
DATE: October 12, 2023
SUBJECT: Request to Approve a 24-Month Extension of Purchase Order Contract with Josie Diaz to Provide Accounting Services

RECOMMENDATION

That the Los Angeles Development Fund (LADF) Governing Board of Directors authorizes the President, or designee, to extend the purchase order contract with Josie Diaz to provide accounting services for a 24-month period ending on September 30, 2025. The contract shall not exceed \$100,000 during the 24-month period, with the option for two one-year extensions.

SUMMARY AND BACKGROUND

LADF has contracted with Josie Diaz for accounting services since December 1, 2010 through September 30, 2023. Starting in 2010 and through the first two quarters of 2011, Reznick Group, the external audit firm that LADF has contracted with, produced these unaudited statements at a substantial cost. LADF has transitioned this activity to Ms. Diaz since this time. She has since gained comprehensive expertise in the New Markets Tax Credit (NMTC) program and has become well-versed in LADF's operational procedures and governing policies.

Scope/Description of Services:

- Manage LADF's bookkeeping (track cash inflows and outflows)
- Assist in preparing and/or contracting for audited financial statements (must be submitted to CDFI Fund no later than 180 days after end of fiscal year)
- Provide any other tax and accounting services as requested by LADF

Proposed Contract Extension

- **Duration:** 24 months, ending on September 30, 2025.
- **Scope:** Services to remain as previously outlined.
- **Financial Cap:** Maximum compensation, including allowable expenses, capped at \$100,000 for the 24-month period.
- **Hourly Rate:** Fixed at \$90.
- **Extension Options:** Includes options for two additional one-year extensions.
- **Expense Reimbursements:** Expenses, excluding parking, can be reimbursed, subject to documentation and approval by LADF as necessary and reasonable for business conduct.