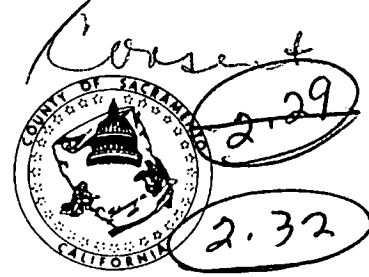




**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



July 23, 1991

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Del Paso Boulevard Strip Coordinator



SUMMARY

This report requests:

- (1) Authorization for the Executive Director to transfer \$15,000 in CDBG funds from Economic Development Loans to Economic Development Administration;
- (2) Authorization for the Executive Director to increase the Del Paso Boulevard Coordinator contract from \$25,000 to \$40,000; and
- (3) Authorization to reissue the Request for Proposals for Del Paso Boulevard Commercial Revitalization Coordinator.

BACKGROUND

The Redevelopment Agency of the City of Sacramento approved on March 19, 1991 by Resolution (RACS 91-013) the releasing of Requests for Proposals for a revitalization coordinator for Del Paso Boulevard. The Agency, in the same action, authorized \$250,000 of 1989 CDBG City contingency funds to be targeted for Del Paso Boulevard and Fruitridge Road revitalization efforts.

Staff released the Del Paso Boulevard Revitalization Coordinator Request for Proposal on May 1, 1991. A mailing of 150 packets and local newspaper advertisements sought qualified consultants for the position. At the same time, discussions between Agency staff and members of the North Sacramento Chamber of Commerce centered around the responsibilities of the coordinator. The issues that were identified included:

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(1)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

**Redevelopment Agency of the
City of Sacramento
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- (1) The expansion of the Agency's Revitalization efforts to include the entire Business Improvement District as defined on the attached map (Exhibit I).**
- (2) The phasing of a five (5) year revitalization program, and**
- (3) The need for a consultant to be funded at a higher level because the scope of work would be increased.**

Staff, after a review, agreed with the request of the North Sacramento Chamber of Commerce. Two Proposals were received from the original request. The Agency staff has returned the proposals to allow for the increase in funds. Staff is requesting that the consultant be funded to provide forty (40) hours of service each week for one year, for total compensation of \$40,000. The consultant will have the following scope of work:

- (1) Develop a five (5) year commercial revitalization plan including:**
 - (A) Analysis of area data available - commercial building vacancies, vacant lots, infrastructure needs, inventory property turnover rates, land prices, lease rates, capital improvement needs, current zoning, assessment types of business ownership and technical assistance needs;**
 - (B) Development of a revitalization strategy based on the data analyzed above, including identification of activities to increase retail sales for desired retail/business mix; and**
 - (C) Preparation of a work plan identifying a time frame and phasing of activities with milestones, and a budget showing the costs of the activities and sources of funds.**
- (2) Develop a plan and recruit businesses to complement existing uses.**
- (3) Promote retention of existing businesses by providing technical assistance on a one-to-one basis, through workshops or through referrals to appropriate community resources.**
- (4) Encourage business development along transportation corridors through commercial real estate leasing activities.**

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Page Three**

- (5) Promote infill development and increase private investment in the commercial district.**
- (6) Remediate transportation related access problems to the district to include Del Paso/160 slowdown signs, Del Paso/Marysville crossing signage, undulations on Southgate, bike racks, and bike lanes along Arden, Del Paso, and El Camino Boulevard.**
- (7) Improve parking along the Del Paso business strip adjacent to the Post Office, and around light rail stations.**
- (8) Identify nuisances such as litter problems, abandoned cars, or lack of public services and take action to reduce or resolve the problems.**
- (9) Design and organize appropriate promotional events to increase retail sales and improve the area's image.**
- (10) Coordinate closely with the North Sacramento Chamber of Commerce to implement the business goals developed by the Chamber.**
- (11) Re-evaluate the Special Planning Area ordinances and their impact of the development in the district.**
- (12) Market the commercial revitalization financing programs offered by the Agency.**
- (13) Identify appropriate boundaries for the targeted area through a report filed with the Agency within six months of contract execution. The report is to make specific recommendations on funding potential of Business Improvement District funds to be used as leverage for facade program only.**
- (14) Submit a detail work plan approved by the North Sacramento Chamber of Commerce and the Agency within thirty days of contract execution.**

The additional \$15,000 will allow the consultant to complete all requirements within the one year contract period. Approval of the transfer will allow the Agency to meet the following goals:

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City of Sacramento
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- o To change the image for entire neighborhoods through commercial district improvements.
- o To encourage infill commercial development in deteriorated areas of the city.
- o To expand retail services to lower income neighborhoods.
- o To promote urban vitality and increase retail sales in targeted areas.
- o To assist businesses in improving the structural appearance of their building.
- o To guide business associations toward self-sufficiency.

FINANCIAL DATA

The request will transfer \$15,000 of allocated City CDBG funds from Economic Development Loans to Economic Development Administration.

ENVIRONMENTAL REVIEW

Not applicable to administrative actions per CEQA Guidelines section 15378(b)(3) and exempt from federal requirements per 24 CFR part 58.34(a)(9).

MBE/WBE REVIEW

MBE/WBE considerations are not required with this activity.

POLICY IMPLICATION

The action proposed in this staff report is consistent with previously approved policy and there are no changes being recommended.

VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of July 10, 1991, the Sacramento Housing and Redevelopment

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Cespedes, Moose, Simon, Wooley, Yew, Strong

NOES: None

NOT PRESENT TO VOTE: Diepenbrock

ABSENT: Amundson, Pernel, Simpson, Williams

RECOMMENDATION

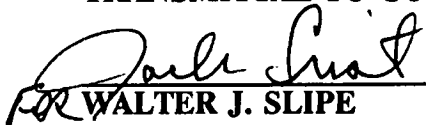
Staff recommends that the Agency:

- (1) Authorize the Executive Director to transfer \$15,000 in City CDBG funds from Economic Development Loans to Economic Development Administration;
- (2) Authorize the Executive Director to increase the Del Paso Boulevard coordinator contract from \$25,000 to \$40,000; and
- (3) Authorize the Executive Director to reissue the Request for Proposals for Del Paso Boulevard Commercial Revitalization Services.

Respectfully submitted,


JOHN E. MOLLOY
Executive Director

TRANSMITTAL TO COUNCIL:


WALTER J. SLIPE
City Manager

July 23, 1991
D-2

Contact Person: Glenn J. Valenzuela, 440-1318

JEM:GJV:beh Staff.Rpt\tmsfrfn

RESOLUTION NO. 91-059

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

**REISSUANCE OF REQUEST FOR PROPOSALS, SELECTION OF,
CONTRACT WITH, AND ALLOCATION OF FUNDS FOR DEL PASO BOULEVARD
COMMERCIAL REVITALIZATION COORDINATOR**

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1: The Executive Director is authorized to reissue a Request for Proposals for Del Paso Boulevard Commercial Revitalization Coordinator, in the form of Attachment 1 hereto.

Section 2: The Executive Director is authorized to select a consultant, pursuant to such Request for Proposals, to provide professional services for the economic rehabilitation of the Boulevard are for a period of twelve months.

Section 3: The Executive Director is authorized to enter into an agreement with the selected consultant to provide such services, for a total amount of compensation not to exceed \$40,000.00, in the form of Attachment 2 hereto or as approved by Agency Counsel.

Section 4: The Executive Director is authorized to transfer \$15,000 in City of Sacramento Community Development Block Grant funds from Economic Development Loans to Economic Development Administration to augment existing funding of \$25,000.00 to fund a contract with the selected Del Paso Boulevard Commercial Revitalization Coordinator.

ATTEST:

SECRETARY

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CHAIR

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

**REQUEST FOR PROPOSALS
COMMERCIAL REVITALIZATION COORDINATOR
FOR DEL PASO BOULEVARD TARGET AREA**

The Sacramento Housing and Redevelopment Agency (Agency) is currently soliciting a consultant to implement commercial revitalization activities for the Del Paso Boulevard target area. This revitalization strip encompasses Del Paso Boulevard from Highway 160 to Evergreen Street.

The purpose of the coordinator contractor is to provide business development assistance to the area merchants and property owners to encourage growth of retail businesses and revitalize the commercial aspects of the community.

Scope of Service

The Agency is seeking a consultant who will work closely with the merchants and property owners of the area. Specific tasks include:

1. Developing a five-year commercial revitalization plan including:
 - (a) analysis of area data available--commercial building vacancies, vacant lots, infrastructure needs, inventory property turnover rates, land prices, lease rates, capital improvement needs, current zoning, assessment types of business ownership and technical assistance needs, etc.,
 - (b) development of a revitalization strategy based on the data analyzed above, including identification of activities to increase retail sales for the desired retail/business mix,
 - (c) preparation of a work plan identifying a time frame and phasing of activities, and a budget showing the costs of the activities and sources of funds.
2. Recruit businesses to complement existing uses.
3. Promote retention of existing businesses by providing technical assistance on a one to-one-basis, through workshops or through referrals to appropriate community resources.

4. **Encourage business development along transportation corridors through commercial real estate leasing activities.**
5. **Promote infill development and increase private investment in the commercial district.**
6. **Remediate transportation related access problems to the district to include Del Paso/160 slowdown signs, Del Paso/ Marysville crossing signage, undulations on Southgate, bike racks, and bike lanes along Arden, Del Paso, and El Camino Boulevard.**
7. **Improve parking along the Del Paso business strip, adjacent to the post office, and around light rail stations. (Swanston Station)**
8. **Identify nuisances such as litter problems, abandoned cars, or lack of public services and take action to reduce or resolve the problems.**
9. **Design and organize appropriate promotional events to increase retail sales and improve the area's image.**
10. **Coordinate closely with the existing Chamber of Commerce to implement the business goals developed by the North Sacramento Chamber.**
11. **Re-evaluate the Special Planning Area ordinances and their impact on the development in the district.**
12. **Market the commercial revitalization financing programs offered by the Agency. Identify appropriate boundaries for eligible area.**
13. **Identify appropriate boundaries for the targeted area through a report filed with the Agency within six months of contract execution. The report is to make specific recommendations on funding potential of Business Improvement District funds to be used as leverage for facade program only.**
14. **Submit a detail work plan approved by the North Sacramento Chamber of Commerce and the Agency within thirty days of contract execution.**

Within the framework of the above accomplishments, the consultant will be required to submit a detailed work program for the contract period within 30 days of the commencement of the contract which will be approved by the North Sacramento Chamber

of Commerce and the Agency. The work program shall specify how the above activities will be accomplished within the term of the contract and identify specific actions along with associated costs and timeframes required to meet the work program. The work program shall be developed so as to indicate anticipated progress on a monthly basis with significant activities and key elements that are to be accomplished. The consultant will also submit monthly performance reports detailing progress in meeting work program goals for review by the Agency. Funds will only be disbursed based upon progress and documentation of actual services performed as identified in the work program.

Funding and Duration of Contract

Forty thousand dollars (\$40,000) is available for the one year consultant contract which must cover all requisite costs, (e.g., clerical services, travel and salary).

Proposal submission and format

A written proposal is requested. Five (5) copies should be sent to the attention of:

Sacramento Housing and Redevelopment Agency
c/o Joan Roberts, Agency Clerk
Administration Department, Third Floor
630 I Street
Sacramento, CA 95814

The proposals must be received on or before 5:00 p.m., Wednesday, August 14, 1991. Late proposals will be returned unopened.

FORMAT

Your proposal is to be submitted in the following format:

- Cover or transmittal letter, executed by an authorized signatory of your firm or the individual contractor submitting the proposal; not to exceed one (1) page. Indicate which position you are most interested in and state your reasons.
- Detailed statement on the services to be provided, including the approaches and methods to be used and a tentative annual work program organized on a monthly basis, not to exceed six (6) pages.

- **Detailed statement on experience with commercial revitalization activities including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience, not to exceed one (1) page.**
- **Detailed statement on experience in the identification and implementation of promotional activities in commercial revitalization areas; including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed none (1) page.**
- **Detailed statement on experience providing business management assistance, including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.**
- **Synopsis of experience in identifying market potentials and deficiencies in commercial revitalization areas, including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.**
- **Detailed statement on experience in leasing activity and recruiting new businesses to neighborhood commercial districts, including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.**
- **If the responding entity involves more than a single individual, describe your firm's affirmative action, equal employment program and identify your current mix of female and minority employees in relation to your entire workforce; not to exceed one page.**
- **Resumes of the key personnel from your firm assigned to this contract and percentage of time assigned to project.**

Contract award will be based upon the responses in the maximum thirteen (13) pages allotted above along with resumes and any additional materials or information specifically requested by the Agency. All materials requested shall be contained in a single document and shall be retained by the Agency.

The Agency reserves the right: To reject any or all proposals submitted, to request clarification of information submitted and/or to request additional information of one or more competitors; and the right to waive any irregularity in the proposal submission and review process. An award, if made, will be made to the firm/individual best qualified and whose proposal is deemed to be in the best interest of the Agency.

Selection Criteria

The Executive Director of the Agency will make the final contract award, however, recommendations will be made by a selection committee. The selection committee will be comprised of one Sacramento Housing and Redevelopment Commissioner, two representatives from the North Sacramento Chamber of Commerce, and SHRA staff.

The selection committee will make its recommendation by reviewing and evaluating written proposals according to the criteria listed below. Additional questions may be asked of proposers, and formal oral interviews may be conducted as well. Proposers will be notified of any additional required information or interviews after written proposals have been evaluated.

Evaluation criteria and the relative weight assigned to each are listed below:

Written Evaluation

- | | | |
|----|--|-----|
| 1. | Quality of the proposed work plan | 25% |
| 2. | Experience in commercial revitalization programs | 10% |
| 3. | Experience in the identification and implementation of commercial promotional activities | 15% |
| 4. | Experience working with a Business Improvement District and Chamber of Commerce | 10% |
| 5. | Knowledge of and experience with providing technical management assistance to small businesses | 10% |
| 6. | Experience in commercial leasing activities, marketing commercial properties and recruiting new businesses | 20% |
| 7. | Knowledge and understanding of the relevant area and the role it could in that regional market | 5% |
| 8. | Minority or Female Owned firm or Affirmative Action Program | 5% |

(In case of a tie, first consideration will be given to Sacramento based firms/individuals.

Oral Evaluation

If interviews are required, the following criteria will apply:

| | |
|---|------------|
| Ability to communicate orally | 25% |
| Understanding of the Commercial Revitalization Process | 5% |
| Experience in identifying market potential and deficiencies in commercial revitalization areas and marketing commercial properties | 10% |
| Experience with providing technical management assistance to small businesses | 10% |
| Experience working with a Merchant's and Property Owners Association | 10% |
| Experience with leasing commercial property and recruiting new businesses | 15% |
| Experience with promotional activities | 15% |
| Sensitivity to community - evaluation and identification of community issues, local history | 10% |

The Agency retains the right to reject any and all proposals. A decision may be made on the basis of an evaluation of the written proposals only. If no interviews are necessary, the written proposals will constitute 100% of the selection decision. Otherwise, if interviews are held, written proposals will constitute 50% and the interviews 50% of the selection decision.

The Agency may, at its discretion, add additional criteria prior to the time of selection including past performance, if contractor has previously been under contract with the Agency.

The individual/firm selection for each contract award will enter into a contract with the Agency which will include all standard conditions of such contracts.*

Tentative Selection Schedule

| | |
|--|--|
| Request for Proposals Distributed | July 19, 1991 |
| Proposal Due Date | August 14, 1991 |
| Written Proposals Ranked | August 19, 1991 |
| Interviews/Selection Completion | August 26, 1991 |
| Contract Period | September 1, 1991 - June 30, 1992 |

Contact Person: Glenn Valenzuela, Program Manager
Economic Development Department
Sacramento Housing and Redevelopment Agency
488 "I" Street
Sacramento, CA 95814
(916) 440-1318

***Standard condition requirements are available through the Office of Economic Development.
Please call contact person.**

DelPasorfp

CONTRACT FOR PROFESSIONAL SERVICES

PART I - AGREEMENT

THIS AGREEMENT, entered into this _____ of _____, 1991 by and between the REDEVELOPMENT AGENCY of the CITY OF SACRAMENTO (herein referred to as the "AGENCY") and _____, (herein referred to as "Consultant").

WITNESSETH:

WHEREAS, Agency desires to engage Consultant to render certain professional services in connection with Del Paso Boulevard Commercial Revitalization Area.

NOW THEREFORE, the parties hereto mutually agree as follows:

1. **PURPOSE**

The purpose of this contract is for the provision of commercial revitalization coordinator services for the Del Paso Boulevard Commercial Revitalization Area. (See map included herein as Exhibit 1.

2. **SCOPE OF SERVICES**

The Agency hereby engages the Consultant and the Consultant agrees to perform all the necessary services as described in Exhibit "2" Del Paso Boulevard Commercial Revitalization Work Plan which is incorporated herein by reference.

3. **TIME OF PERFORMANCE**

The services of Consultant shall commence upon receipt of Notice to Proceed from Agency. In any event, this Agreement shall terminate upon the expiration of twelve (12) calendar months from the date of this Contract.

4. **COMPENSATION**

Consultant shall be compensated in accordance with the following schedule: \$3334.50 per month for a period of twelve months.

5. **METHOD OF PAYMENT AND MAXIMUM COMPENSATION**

Agency shall pay Consultant upon receipt of invoices stating the number of hours worked, by whom and the type of activity involved in direct relation with the approved work plan. Said payment shall constitute full and complete compensation for Consultant's services hereunder for such time period.

It is expressly understood and agreed that in no event shall the total compensation, if any, to be paid to Consultant under this Agreement exceed the maximum sum of Fifty Thousand Dollars (\$50,000.00).

6. **AGENCY INFORMATION AND DATA**

Agency shall furnish to Consultant any and all pertinent data or information which the Agency may possess during the time of performance of the duties under this Agreement.

7. **INDEMNIFICATION OF AUTHORITY**

Consultant shall indemnify and save harmless the Agency from any liability or costs of any kind whatsoever including any and all attorney's fees or court costs for any injury or damages to persons or property resulting from the consultant, its agents or employees in the prosecution of work under this Agreement.

8. **TERMS CONDITIONS AND INSURANCE**

(a) All professional and technical information prepared by Consultant for Agency and all worksheets, documents and other related information developed under this Contract shall become the property of and be delivered to the Agency whether upon completion of the services hereunder, or upon termination of this contract by Agency or Consultant.

In addition, consultant agrees to prepare and furnish to Agency, with such frequency and in such form as Agency may require, reports concerning the status of Consultant's performance hereunder.

(b) **PUBLICATION, REPRODUCTION, AND USE OF MATERIAL**

No material produced in whole or in part, under this Agreement shall be subject to copyright in the United States or in any other country. Agency shall have the exclusive and unrestricted authority to publish, disclose, distribute, and otherwise use, in whole or in part, any reports data or other materials except computer software prepared under this Agreement. All reports, data, and other materials prepared under this Agreement that are submitted to Agency shall become the exclusive property of Agency upon completion of this Agreement.

(c) **SEVERABILITY OF PROVISIONS**

If any provisions of this Agreement are held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

(d) **EQUAL OPPORTUNITY**

Consultants will not discriminate against employee, or against any applicant for such employment, because of race, color, religion, sex or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of any or other forms of compensation; and selection of training, including apprenticeship.

(f) **NOTICE**

Any notice, or notices, required or permitted to be given pursuant to this Agreement, may be personally served on the other party by the party giving such notice, or may be served by certified mail, return receipt requested, to the following address:

Sacramento Housing and Redevelopment Agency
630 I Street
Sacramento, California 95814
Attention: Glenn J. Valenzuela

(g) **INTEREST IN MEMBERS OF AGENCY AND CONSULTANTS**

No member of the governing body of the Agency, and no other officer, employee or agent of the Agency or Consultants who exercises any functions or responsibilities in connection with the carrying out of a project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract.

(h) **FINDINGS CONFIDENTIAL**

All reports, information, data, etc., prepared or assembled by the Consultants under this Contract are confidential and the consultant agree that they shall not be made available to any individual or organization without prior written approval of the Agency.

This contract consists of this document, Part II -- Terms and Conditions, Part III - Insurance, and Exhibits 1 through 2 attached.

IN WITNESS WHEREOF, the Agency and Consultant have executed this Agreement as of the date set forth in Section above.

APPROVED AS FORM:
CITY

Agency Counsel

REDEVELOPMENT AGENCY OF THE
OF SACRAMENTO

By _____
JOHN E. MOLLOY
Executive Director

APPROVED:

Finance Department

Organization Approval

Acct #: MO4319
Organ: 4222
Cost Center:5800

CONSULTANT

By _____
Name Address

FED. ID OR SOCIAL SECURITY NO.:

DPcontract

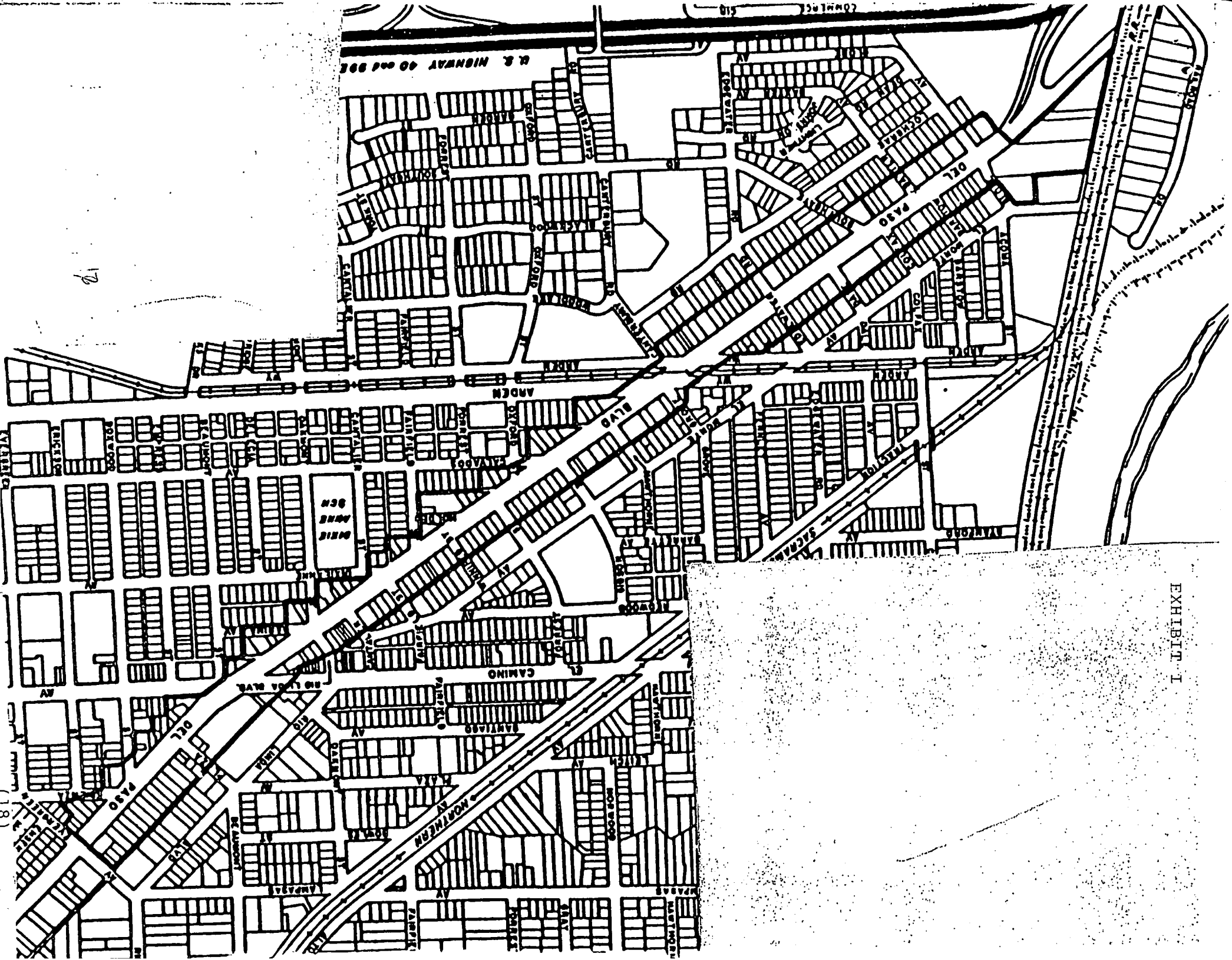


EXHIBIT - I

EXHIBIT II

- (1) Develop a five (5) year commercial revitalization plan including:
 - (A) Analysis of area data available - commercial building vacancies, vacant lots, infrastructure needs, inventory property turnover rates, land prices, lease rates, capital improvement needs, current zoning, assessment types of business ownership and technical assistance needs.
 - (B) Development of a revitalization strategy based on the data analyzed above, including identification of activities to increase retail sales for desired retail/business mix.
 - (C) Preparation of a work plan identifying a time frame and phasing of activities with milestones, and a budget showing the costs of the activities and sources of funds.
- (2) Develop a plan and recruit businesses to complement existing uses.
- (3) Promote retention of existing businesses by providing technical assistance on a one-to-one basis, through workshops or through referrals to appropriate community resources.
- (4) Encourage business development along transportation corridors through commercial real estate leasing activities.
- (5) Promote infill development and increase private investment in the commercial district.
- (6) Remediate transportation related access problems to the district to include Del Paso/160 slowdown signs, Del Paso/Marysville crossing signage, undulations on Southgate, bike racks, and bike lanes along Arden, Del Paso, and El Camino Boulevard.
- (7) Improve parking along the Del Paso business strip adjacent to the Post Office, and around light rail stations.
- (8) Identify nuisances such as litter problems, abandoned cars, or lack of public services and take action to reduce or resolve the problems.
- (9) Design and organize appropriate promotional events to increase retail sales and improve the area's image.

- (10) Coordinate closely with the North Sacramento Chamber of Commerce to implement the business goals developed by the Chamber.
- (11) Re-evaluate the Special Planning Area ordinances and their impact of the development in the district.
- (12) Market the commercial revitalization financing programs offered by the Agency.
- (13) Identify appropriate boundaries for the targeted area through a report filed with the Agency within six months of contract execution. The report is to make specific recommendations on funding potential of Business Improvement District funds to be used as leverage for facade program only.
- (14) Submit a detail work plan approved by the North Sacramento Chamber of Commerce and the Agency within thirty days of contract execution.

EXH11

SHRA (4/87)

CONTRACT FOR PROFESSIONAL AND TECHNICAL SERVICES

PART II - TERMS AND CONDITIONSI. TERMINATION OF CONTRACT FOR CAUSE

If, through any cause, the Contractor shall fail to fulfill in timely and proper manner his obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Agency/Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies and reports prepared by the contractor under this Contract shall, at the option of the Agency/Authority, become its property and the Contractor shall be entitled to receive just and equitable compensation for such work completed which is satisfactory to Agency/Authority.

Notwithstanding the above, the Contractor shall not be relieved of liability to the Agency/Authority for damages sustained by the Agency/Authority from the Contractor, and the Agency/Authority may withhold any payments to the Contractor for the purpose of setoff until such time as the exact amount of damages due the Agency/Authority from the Contractor is determined.

II. TERMINATION FOR CONVENIENCE OF AGENCY/AUTHORITY

The Agency/Authority may terminate this Contract at any time by a notice in writing from the Agency/Authority as provided herein, the Contractor will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Contractor covered by this Contract, less payments of compensation previously made; provided, however, that if less than sixty percent (60%) of the services covered by this Contract have been performed upon the effective date of such termination, the Contractor shall be reimbursed (in addition to

the above payment) for that portion of the actual out-of-pocket expenses (not otherwise reimbursed under this Contract) incurred by the Contractor during the Contract period which are directly attributable to the uncompleted portion of the services covered by this Contract. If this Contract is terminated due to the fault of the Contractor, Section 1 hereof relative to termination shall apply.

III. CHANGES

The Agency/Authority may, from time to time, request changes in the scope of the services of the Contractor to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the Agency/Authority and the Contractor, shall be incorporated in written amendments to this Contract.

IV. PERSONNEL

A. The Contractor represents that he has, or will, secure at his own expense all personnel required in performing the services under this Contract. Such personnel shall not be employees or have any contractual relationship with the Agency/Authority.

B. All the services required hereunder will be performed by the Contractor or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under 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 Contract.

V. EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

During the performance of this Contract, the Contractor agrees as follows:

A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, ungrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or 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, notices to be provided by the Agency/Authority setting forth the provisions of this nondiscrimination clause.

B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

VI. COMPLIANCE WITH LOCAL LAWS

A. The Contractor shall comply with all applicable laws, ordinances and codes of the state and local governments, and shall commit no trespass on any public or private property in performing any of the work embraced by this Contract.

B. Whenever the Contractor is performing construction work for the Agency/Authority, the Contractor shall be licensed and regulated by the Contractors State License Board. Any questions concerning the Contractor shall be referred to the Registrar, Contractors State License Board, 3132 Bradshaw Road, Sacramento, California. Mailing Address: P.O. Box 26000, Sacramento, California 95826.

VII. SUBCONTRACTING

None of the services covered by this Contract shall be subcontracted without the prior written consent of the Agency/Authority. The Contractor shall be as fully responsible to the Agency/Authority for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him. The Contractor shall insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions of this Contract.

VIII. ASSIGNABILITY

The Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written approval of the Agency/Authority.

IX. INTEREST OF MEMBER OF AGENCY/AUTHORITY

No member of the governing body of the Agency/Authority, and no other officer, employee or agent of the Agency/Authority who exercises any functions or responsibilities in connection with

the carrying out of the project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract.

X. INTEREST OF OTHER LOCAL PUBLIC OFFICIALS

No member of the governing body of the locality in which the project is situated, and no other public official of such locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract.

XI. INTEREST OF CERTAIN FEDERAL OFFICIALS

No member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share or part of this Contract or to any benefit to arise therefrom.

XII. INTEREST OF CONTRACTOR

The Contractor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, in the above-described project or any portion thereof or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed.

XIII. FINDINGS CONFIDENTIAL

All reports, information, data, etc., prepared or assembled by the Contractor under this Contract are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the Agency/Authority.

XIV. MONITORING

A. The Agency/Authority shall monitor the program adequacy of the Contractor in a manner which Agency/Authority deems most effective. Contractor shall cooperate with Agency/Authority in such monitoring.

B. Contractor shall prepare and submit the Agency/Authority reports in the form and manner prescribed by Agency/Authority.

C. Such reports shall be subject to audit by the Agency/Authority as required by federal regulations or local requirements.

XV. INDEMNIFICATION OF AGENCY/AUTHORITY

The Contractor shall indemnify and save harmless the Agency/Authority from liability for any injury or damages to persons or property resulting from Contractor's prosecution of work under the Contract.

XVI. OWNERSHIP OF PROFESSIONAL AND TECHNICAL INFORMATION DEVELOPED UNDER THE CONTRACT

A. All professional and technical information, in the form of original drawings, data, computations, specifications, report texts, estimates and any and all other material, data and information collected or developed in connection with the work under this Contract, and all original documents shall be forwarded to and become the sole property of the Agency/Authority, and neither the Contractor nor any and all of its associates and/or consultants shall have any rights in interest thereto.

B. The Contractor and/or its associates and consultants may retain such copies and/or reproductions, at their expense, of the original documents as necessary for their files, records and/or reference.

XVII. FEDERAL REQUIREMENTS

The following provisions shall be applicable to this Agreement and binding on Contractor and Agency/Authority only if all or part of the funds to be paid for work performed under this Agreement are provided under the Community Development Block Grant Program administered by the United States Department of Housing and Urban Development or some other funding program administered by the federal government. It shall be the sole discretion of the Agency/Authority to determine the source of funds to be paid under this Agreement:

A. Anti-Kickback Rules. Salaries of architects, draftsmen, technical engineers and technicians performing work under this Contract 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 "Anti-Kickback Act" of June 13, 1937 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C., Section 874; and Title 40 U.S.C., Section 276(c)). The Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts

covering work under this Contract to insure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors hereunder except as the Secretary of Labor may specifically provide for variations or of exemptions from the requirements thereof.

B. Withholding of Salaries. If, in the performance of this Contract, there is any underpayment of salaries by the Contractor or by any subcontractor thereunder, the Agency/Authority shall withhold from the Contractor out of payments due to him any amount sufficient to pay to employees underpaid the difference between the salaries required hereby to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by the Agency/Authority for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

C. Claims and Disputes Pertaining to Salary Rates. Claims and disputes pertaining to salary rates or to classification of architects, draftsmen, technical engineers and technicians performing work under this Contract shall be promptly reported in writing by the Contractor to the Agency/Authority for the latter's decision which shall be final with respect thereto.

D. Equal Employment Opportunity Requirements.

1. The Contractor will send to each labor union or representative of workers with whom he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Agency/Authority, advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

2. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

3. The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto,

and will permit access to his books, records and accounts by the Agency/Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

E. Contractual Requirements: "Section 3 Clause". The following clause (referred to as the "Section 3 Clause") is applicable to all contracts for work in connection with a Community Development Project.

1. The work to be performed under this Contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.

2. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and order of the Department issued thereunder prior to the execution of the Contract. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

3. The Contractor will send to each labor organization or representative or workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

4. The Contractor will include this Section 3 Clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient for federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation

of requirements issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

5. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Contract, shall be a condition to the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns, to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

In order to comply with the Section 3 requirements, the bidder shall indicate, along with his bid, what affirmative action processes he has used in soliciting bids from business concerns listed on the Registry. Forms for the bidders' use are included in the Project Manual. These completed Section 3 Affirmative Actions forms must be submitted with the proposal.

a. Good Faith Effort. Each contractor or subcontractor undertaking work in connection with a Section 3 covered project shall fulfill his obligation to utilize lower income project area residents as employees to the greatest extent feasible by:

(1) Identifying the number of positions in the various occupational categories including skilled, semi-skilled, and unskilled labor, needed to perform each phase of the Section 3 covered project;

(2) Identifying, of the positions identified in Paragraph (1) of this section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;

(3) Identifying, of the positions identified in Paragraph (1) of this section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees.

(4) Establishing, of the positions identified in Paragraph (3) of this section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area; and

(5) Making a good faith effort to fill all of the positions identified in Paragraph (4) of this section with lower income project area residents.

F. Discrimination Because of Certain Labor Matters. No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his employer.

G. Records. Contractor shall keep all necessary books and records, including loan documentation and financial records, in connection with the operation and services performed under this Agreement, in accordance with the provisions of OMB Circular No. A-102 Attachment G (as amended), and shall document all transactions as the Agency/Authority may properly audit all expenditures made pursuant to this Contract. Contractor shall maintain and preserve all records related to this Contract in its possession for a period of three (3) years from the effective date of this Contract, unless otherwise directed by Agency/Authority. All books, records and accounts kept by Contractor in connection with the performance of this Contract shall be made available for inspection by representatives of the federal government and/or Agency/Authority staff as required to monitor or audit the program.

H. Conflict of Interest. No member, officer or any employee of the Contractor, or its designees or agents, who exercises any functions or responsibilities with respect to the program during his tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Contract. The Contractor shall incorporate, or cause to be incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

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PART III - LIABILITY INSURANCE REQUIREMENTS

1. TYPE AND COVERAGE

At all times during the life of this Contract, Contractor/Consultant shall obtain and maintain, and shall cause each and every subcontractor doing the work of this Contract to obtain and maintain, the following types and amounts of insurance:

1.1 COMPREHENSIVE GENERAL LIABILITY

A policy of comprehensive general liability which shall include, without limitation, coverage for contractual liability, public liability and property damage written for not less than One Million Dollars (\$1,000,000) single limit liability.

1.2 AUTOMOBILE LIABILITY

If motor vehicles are used in performing services in connection with this contract, a policy of automobile liability insurance written for not less than Three Hundred Thousand (\$300,000) single limit liability.

1.3 WORKER'S COMPENSATION

A worker's compensation policy which covers all employees of Contractor/Consultant and each and every subcontractor and which is written in accordance with California law.

2. ADDITIONAL REQUIREMENTS

2.1 Said insurance shall be purchased from a company or companies licensed to do business in California and having a rating of at least A-XV. If possible, the insurance policies shall be carried with the same insurance company.

2.2 All of the insurance policies, except the worker's compensation policy, shall name the Agency, its consultants and employees, as named insureds. If the Agency gives prior written consent, the said parties may be named as additional insureds on said insurance policies. Agency shall have the right to arbitrarily withhold such consent. The Contractor/Consultant shall obtain from the Agency the list of names to appear on the insurance policies.

2.3 Prior to commencement of the work of the contract, Contractor/Consultant shall file with the Agency Certificates of Insurance acceptable to the Agency. Such certificates shall each contain a provision stating that coverages afforded under the policies shall not be cancelled until at least thirty (30) days prior written notice has been given to the Agency.

2.4 Failure to maintain the required insurance shall be deemed a material breach of the Contract. Agency shall, nevertheless, have the right, without obligation, to pay any delinquent insurance premiums and any other changes to reinstate or maintain the required insurance policies and coverage. If the Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to Contractor/Consultant under the Contract and to reduce by such amount the compensation payable to Contractor/Consultant under the Contract.

(revised 8-4-87)

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