

**CONTRACT SERVICES AGREEMENT**

**By and Between**

**CITY OF CARSON**

**and**

**CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION**

**("CCEDA")**

**AGREEMENT FOR CONTRACT SERVICES  
BETWEEN THE CITY OF CARSON AND  
CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION**

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this 7 day of MAY, 2020 by and between the CITY OF CARSON, a California municipal corporation ("City") and the CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION, a California nonprofit public benefit corporation ("Consultant" and/or "CCEDA"). City and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

**RECITALS**

A. City has sought the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services as a sole source, as permitted in Section 2611 of the City's Municipal Code.

C. Pursuant to the City of Carson's Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

**OPERATIVE PROVISIONS**

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

**ARTICLE 1. SERVICES OF CONSULTANT**

1.1 **Scope of Services.**

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder

and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

#### 1.2 Consultant's Proposal.

The Scope of Service shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

#### 1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

#### 1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

#### 1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

#### 1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

**ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.**

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed **Seventy Five Thousand Dollars (\$75,000)** (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

## 2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

## 2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

## 2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Subcontractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

## 2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

## ARTICLE 3. PERFORMANCE SCHEDULE

### 3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

### 3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

### 3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

### 3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

## ARTICLE 4. COORDINATION OF WORK

### 4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Roberto Barragan, Executive Director

(Name)	SUSAN HOWARD	(Title)	BOARD SECRETARY
(Name)		(Title)	
(Name)		(Title)	

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Sharon L. Landers, City Manager or such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

#### 4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

#### 4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

### **ARTICLE 5. INSURANCE AND INDEMNIFICATION**

#### 5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Consultant against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by



or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars and any automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

## 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.

All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.

No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsements to all required insurance policies at any time. Any failure to

comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

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Consultant Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or any automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant's activities or the activities of any person or persons for which the Consultant is otherwise responsible nor shall it limit the Consultant's indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial,

administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

#### 5.4 Sufficiency of Insurer.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager

of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the risk manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager.

## **ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

### **6.1 Records.**

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

### **6.2 Reports.**

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### **6.3 Ownership of Documents.**

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim

for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

#### 6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

## ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

### 7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

### 7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

### 7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

### 7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement.

Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et. seq. and 910 et. seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work

and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

**ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.



### 8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

### 8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

## **ARTICLE 9. MISCELLANEOUS PROVISIONS**

### 9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Carson, 701 East Carson, Carson, California 90745 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

### 9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

### 9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "non-interests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials 

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this

Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

**[SIGNATURES ON FOLLOWING PAGE]**

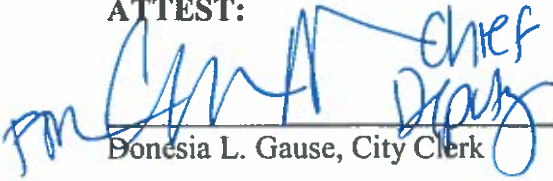
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

  
Sharon L. Landers, City Manager

ATTEST:

 Chief Clerk  
Donesia L. Gause, City Clerk

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP


  
Sunny K. Soltani, City Attorney  
[rj]



CONSULTANT:

CALIFORNIA COMMUNITY ECONOMIC  
DEVELOPMENT ASSOCIATION, a California  
nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Roberto Barragan  
Title: Executive Director

By:   
Name: SUSAN HOWARD  
Title: BOARD SECRETARY  
Address: 244 S. San Pedro Street, Suite 412  
Los Angeles, CA 90012

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:

CITY OF CARSON, a municipal corporation

\_\_\_\_\_  
Albert Robles, Mayor

ATTEST:

\_\_\_\_\_  
Donesia L. Gause, City Clerk

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP



\_\_\_\_\_  
Sunny K. Soltani, City Attorney  
[rjl]

CONSULTANT:

CALIFORNIA COMMUNITY ECONOMIC  
DEVELOPMENT ASSOCIATION, a California  
nonprofit public benefit corporation

By: \_\_\_\_\_  
Name: Roberto Barragan  
Title: Executive Director

By: \_\_\_\_\_  
Name:  
Title:  
Address: 244 S. San Pedro Street, Suite 412  
Los Angeles, CA 90012

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Albert Robles, Mayor

ATTEST:

\_\_\_\_\_  
Donesia L. Gause, City Clerk

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Sunny K. Soltani, City Attorney  
[rjl]

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Name: Roberto Barragan  
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## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

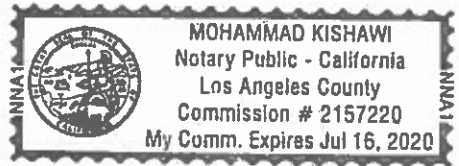
COUNTY OF LOS ANGELES

On 4/23/2020 before me, Mohammed Kishawi, Notary Public, personally appeared Roberto Barragan who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_



### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

- CAPACITY CLAIMED BY SIGNER**
- INDIVIDUAL
- CORPORATE OFFICER

**DESCRIPTION OF ATTACHED DOCUMENT**

- TITLE(S) \_\_\_\_\_
- PARTNER(S)  LIMITED  GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER \_\_\_\_\_

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_

NUMBER OF PAGES \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_

\_\_\_\_\_

DATE OF DOCUMENT \_\_\_\_\_

SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

**CALIFORNIA ACKNOWLEDGMENT**

CIVIL CODE § 1189

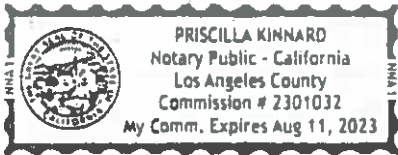
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }  
County of Los Angeles }  
On May 7, 2020 before me, Priscilla Kinnard  
Date Here Insert Name and Title of the Officer  
personally appeared Sharon L. Landers  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature Priscilla Kinnard  
Signature of Notary Public

**OPTIONAL**

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Contract Services Agreement

Document Date: \_\_\_\_\_ Number of Pages: 19

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Sharon L. Landers

Signer's Name: \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Partner –  Limited  General

Partner –  Limited  General

Individual  Attorney in Fact

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Trustee  Guardian or Conservator

Other: City Manager

Other: \_\_\_\_\_

Signer is Representing: City of Carson

Signer is Representing: \_\_\_\_\_



## EXHIBIT "A"

### SCOPE OF SERVICES

**I. Consultant (also referred to as "CCEDA") will provide services to the City in implementing tasks, as follows:**

Developed by the California Community Economic Development Association (CCEDA), which is a statewide membership association that has served California since 1989. CCEDA supports nonprofit, community-based, neighborhood-targeted development organizations that have programs, services and projects focused on improving the overall economic conditions in low- and moderate-income communities.

CCEDA shall process a minimum of 90 EIDL, PPP, or other government- or bank-sponsored loan applications, including the Carson Small Business Loan Program applications, within the 450 hours allotted in this Agreement.

#### Overall Scope

In Carson, CCEDA would assist the City in three tasks:

1. Developing and implementing a program of intensive, disaster-oriented business assistance to small businesses in Carson, including developing a business assistance and lending network;
2. Marketing the program to Carson businesses and soliciting applications for business assistance and lending programs, including identifying business owners who are sheltering at home and away from their businesses, responding to public inquiries made to the City, marketing the program on Facebook and other social media, and using the Chamber of Commerce and business license resources to reach owners.
3. Providing intensive business assistance to the small business community, including assessing the economic damage from the shutdown and triaging the next steps, including applying for SBA Paycheck Protection Loans, Economic Injury Disaster Loans, and other state and federal loans that may be available.
4. At the election of the City, Consultant would develop program guidelines and underwriting criteria, solicit applications for and package applications for City approval, a Small Business Bridge Loan/Grant program funded by the City of Carson.

#### Task 1: Setup and Mobilization (\$7,500)

CCEDA shall undertake the tasks necessary to market the program to Carson businesses, provide effective assistance to business in a timely manner, track hours spent and the progress of applicants through the process. These tasks include but are not limited to:

- Setup of a hosted website with appropriate information about the Carson Business Assistance Program, various SBA and other federal programs, state lending

programs, other state assistance programs, hyperlinks to business resources, and fillable PDF or downloadable forms.

- Setup of a call in number and proper call forwarding to ensure a live person answers the phone during business hours.
- Design collateral material that can be used in email campaigns or on social media, or that the City could print if it desired flyers.
- CCEDA will provide business development officers backed up by technical assistance and other nonprofit and entrepreneurial partners. Staffing will be accomplished through CCEDA's existing experienced staff, team of consultant and experienced technical assistance organizations. Roberto Barragan will serve as the program director in Carson. CCEDA will operate virtually, utilizing existing online loan application systems and email and telephone communications. Staff would be required to familiarize themselves with the SBA and other programs available and to other resources available in Carson, if any.
- CCEDA shall design procedures and application requirements for loan applicants that will be used to review, score, and provide recommendations to applicants on which is the most appropriate lender and the most appropriate loan program to which to apply.

Provide City with technical and policy expertise related to the setup and operations of a City-funded Small Business Bridge Loan/Grant Program including the loan application, underwriting criteria, promissory notes, criteria for making loans forgivable (converting to grant) and other related documents.

### **Task 2: Business Outreach and Milestones (\$150/hr)**

- The City of Carson will deliver to CCEDA a subset of the Business License database that identifies businesses, prioritized by industry and size of business, that the City wishes to prioritize for outreach. CCEDA will reach out to this targeted group of businesses through email, and if email is not available, direct telephone calls.

As businesses email or call in, CCEDA staff will endeavor to respond within 24 hours. CCEDA staff will intake all businesses and screen them for their needs, collecting data regarding revenues and employee count. Businesses that are just seeking information will be served immediately. Businesses that have questions regarding lending programs or need assistance in completing their application or are looking for a PPP lender will be referred to a lending consultant.

Consultants will review draft loan applications, answer application specific questions, review credit or cashflow challenges to loan approval, review payroll specifics that might affect PPP applications, assist with lender requirements for PPP loans, and advise on loan forgiveness if needed. Consultants will not spend more than 5 hours per business; additional hours will be authorized by the City. Average hours per client: 3.

Consultant will make all efforts to reach the below milestones, it being understood that the milestones are merely aspirational and not obligatory.

- **Month 1**

- CCEDA will contact a minimum 300 businesses contacted through phone, website, email or other remote means, working with data collected from the City's business license data;
- CCEDA will provide intake and screening services to a minimum of 100 businesses;
- CCEDA will assist Carson businesses submit 50 EIDLs or to the SBA's PPP and other loans packaged loans to disaster lenders.

- **Month 2**

- CCEDA will contact a minimum 300 businesses contacted through phone, website, email or other remote means, working with data collected from the City's business license data;
- CCEDA will provide intake and screening services to a minimum of 200 businesses;
- CCEDA will assist Carson businesses submit 50/100 EIDLs, or to the PPP Program or any other disaster loan/grant program, including any City of Carson loan program.

**Task 3: Business Assessment and Pre-Loan Support (\$150/hr)**

During the initial in-take phase and after it is concluded what assistance the client needs the business development officer will determine appropriate pre-loan support. CCEDA consultants and partners can advise on how to obtain financing and how to structure the request to secure for funding; including loan packaging assistance as needed

**Task 4: Lending Programs and Assistance**

CCEDA will be responsible for all program development, loan origination, technical assistance and loan packaging. Utilizing CCEDA's infrastructure, they will provide technical assistance to businesses that may have inadequate financial information or face other challenges to a successful loan application, the elements of which are included below. CCEDA's team will assess loan possibilities for any business type, including non-profit organizations and churches, if eligible.

**CCEDA Tasks Under the Lending Program**

- If viable, CCEDA will package the loan and prepare projections.
- CCEDA will identify lender possibilities and make recommendations.

- CCEDA will act as intermediary to lenders and assist borrowers to address application needs.

CCEDA will assist borrowers through the loan approval and closing process.

### **Lender Selection Process**

- All borrowers will be directed to apply for EIDL first to take advantage of the advance and 12 months payment deferral.
- Then businesses will be encouraged to apply for a Paycheck Protection Program loan from their own business bank.
- If their bank does not offer the product or is not accepting applications, CCEDA consultants will refer them to a bank or credit union that is accepting non customer applications such as US Bank.
- If a bank or credit union option is not available, CCEDA consultants will refer businesses to one of the following:
  - Local Community Development Financial Institutions, such as Pacific Coast Regional or PACE
  - LA County/Community Reinvestment Fund partnership
  - Non bank 7 (a) lenders
- If a business is not SBA eligible ( see SBA restrictions), CCEDA will work with borrowers to access the following programs:
  - Local CDFI disaster and non disaster programs
  - State of California micro loan programs
  - Opportunity Fund micro loan programs
- CCEDA is monitoring the industry and gathering information daily on new programs such as the Federal Reserve Mainstreet Program.

### **Federal Lending Programs**

The primary programs CCEDA would focus on are:

- **Paycheck Protection Loans:** The U.S. Small Business Administration (SBA) will guarantee loans with terms of up to 10 years and interest rates of up to 4% to businesses with fewer than 500 employees. Businesses can qualify for loans of up to \$10 million, and the loans will be provided by lenders including banks and credit unions. Eligible

businesses can get loan deferment for six months to a year, and the loan may be forgiven if the business maintains its payroll for eight weeks at employees' normal salary levels.

Required certification from businesses for this program includes:

- Current economic uncertainty makes the loan necessary to support the applicant's ongoing operations.
  - The funds will be used to retain workers and maintain payroll or to make mortgage, lease, and utility payments.
  - The applicant has not and will not receive another loan under this program.
  - The applicant will provide to the lender documentation that verifies the number of full-time equivalent employees on payroll and the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight weeks after getting this loan.
  - Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.
  - All the information the applicant provides in his/her application and in all supporting documents and forms is true and accurate. Knowingly making a false statement to get a loan under this program is punishable by law.
  - The applicant acknowledges that the lender will calculate the eligible loan amount using the tax documents they submitted. The applicant affirms that the tax documents are identical to those they submitted to the IRS. And the applicant also understands, acknowledges, and agrees that the lender can share the tax information with the SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.
- Expanded access to U.S. Small Business Administration **Economic Injury Disaster Loans**: As part of its disaster assistance program, the SBA is providing working capital loans of up to \$2 million to small businesses and nonprofits affected by the coronavirus. These loans carry an interest rate of 3.75% for small businesses and 2.75% for nonprofits. Loan repayment terms vary by applicant, up to a maximum of 30 years. The stimulus updated the program so that sole proprietors and businesses with fewer than 500 employees qualify, and applicants don't need to provide a personal guarantee on loans under \$200,000. Payments can also be deferred for up to four years.

#### **Required Documents from Businesses:**

- Copy of Credit Bureau Report with Credit Scores from the three primary reporting agencies for all owners of the business with minimum 20% ownership.

- Personal Financial Statement (SBA Form 413) for all owners of the business with minimum 20% ownership interest.
- Federal Personal and business tax returns for the last 3 years (include personal tax returns for each owner with minimum 20% ownership interest in the business).
- Business Financial Statements for year to date (both income statements and balance sheet is Preferred). Schedule of all business assets and liabilities.
- Provide Monthly sales figures beginning 3 years prior to the disaster and continuing through the most recent month available. (SBA Form 1368).
- Written explanation of the amount the owner is seeking and how it will be used. Describe the loss.
- SBA Loan Application (SBA Form 5).
- IRS Form 8821 / 4506-T for each owner with minimum 20% ownership interest in the business.
- **Advance of \$10,000 to SBA Economic Injury Disaster Loan applicants:** Even if a business is denied a loan, they can still access this advance which will be forgiven, which can be used to provide employee sick leave, maintain payroll or meet other needs like paying rent.

### **State Lending and Business Assistance Programs**

In addition to assisting businesses with the Federal Loan Programs described above, CCEDA consultants and partners shall advise on how to obtain financing through State programs, if eligible, including loan packaging assistance as needed, and also providing information on other assistance programs available from the State of California, including:

- **Sales Tax Deferrals**

Businesses can now defer up to \$50,000 in sales tax payments without interest for up to twelve months, so long as the business has less than \$5 million in annual sales. This is effectively a zero-interest, no-penalty bridge loan to provide you with additional working capital before you receive additional resources like those detailed above. Businesses can use this as ready cash to meet any need.

- **Loan Opportunities from Infrastructure and Economic Development Bank (iBank)**

For small businesses that do not qualify for federal loan assistance programs like those detailed above, the California Infrastructure & Economic Development Bank can provide potential capital. The State is allocating \$50 million to the California Infrastructure and Economic Development Bank for loan guarantees to small businesses to help eliminate barriers to capital for individuals who do not qualify for federal funds, including low

wealth and undocumented immigrant communities. For more information on resources for small businesses from IBank, please visit their website at [www.ibank.ca.gov](http://www.ibank.ca.gov).

- **Income Tax Deadline Deferral**

Effective March 30, 2020, all taxpayers with less than \$1 million in tax liabilities have automatically been granted a 3 month extension on the deadline to file their returns. This includes businesses. You may file anytime between now and July 31, 2020. This covers approximately 99.5% of all taxpayers in the State. But if you or your business has more than \$1 million in liabilities, you may request an extension. For more information, visit the website of the California Department of Tax & Fee Administration.

- **EDD for Businesses**

With the Governor's emergency declaration, if a business is directly affected by COVID-19, the owner can request up to a 60-day extension to file their state payroll reports and deposit state payroll taxes without penalty or interest. The written request for extension, noting the impact of COVID-19, must be received within 60 days from the original delinquent date of the payment or return. For the address to send the request, along with other information, please see the State of Emergency or Disaster Fact Sheet (DE 231SED).

### **Application Review and Initial Ranking of City-Funded Loans**

If the City should approve a City loan program, when directed by the City's Contract Officer in writing, CCEDA shall prepare loan guidelines, the application packet, and the loan documents for the City to review and approve. The specific criteria which will be used in evaluating and rating the applications shall address the following questions and criteria:

- Duplication of benefits – what is the availability of other sources of funding?
  - Example: If the funds cover salaries, how does the City ensure that there is not double-dipping from Unemployment Insurance?
  - How will the City know if a business got other assistance, like an SBA loan?
  - This program should be a back-stop, not a primary resource for Business Assistance activities.
- What are the permissible uses of the funds? Would the City want to see the money spent on growing inventory or paying for costs like insurance, rather than employees?
- Grants, loans, forgivable loans (and what triggers forgiveness)?
- Underwriting criteria. Are we looking for strong credit? Or is this a program that would be available for borrowers (businesses or owners) with weak credit history?

- Outreach to impacted businesses. How is the program marketed? Are there priority businesses by type? By geographic area?
- Determination of what businesses to fund and at what levels (transparent criteria and process) Is there a scoring criteria based on need, is creditworthiness a factor?
- Will the funds be sufficient to make a difference to the business?
- Businesses most at-risk are those with narrow profit margins and (thereby) limited cash reserves (e.g. with < 3 mos. cash on hand). Is using limited City funds to support marginal and failing businesses the best use of the money? Would the funds (at best) defer and not prevent closures?

Ultimately, funding decisions are made by the City, but the program must abide by a standard of reasonableness.

### **Task 5: Non Loan Support**

As needed, CCEDA will provide a quick assessment of each business' current situation and assist the business take the following actions while they are working on a loan application:

- **Expense Triage**
  - Review Profit & Loss Statements
  - Help businesses evaluate and understand their finances so they can streamline their business and see where they can reduce/eliminate expenses.

- **Recommend Businesses Cut Unnecessary Expenses**

This includes any subscriptions or memberships that might be unnecessary during this period of financial uncertainty. Cancel anything nonessential the business can survive without.

- **Contacting Vendors**

Advise businesses to review all contracts and make sure they're in contact with their vendors and fully understand the agreements in the event they need to break a contract.

- **Negotiate longer terms**

Discuss with their vendors if they're offering any deferments or payment plan options. Try to come to an agreement that will keep them both afloat.

- **Contacting Service Providers**



- SCE / Utility Company
- Phone
  
- Maintenance / Landscaping
  
- Cell Phone provider
  
- **Contact their Landlord**

Landlords are working with their tenants to extend deferments or pausing rent for a period of time. Make businesses aware of Judicial Council Notice on Commercial Evictions. Recommend businesses stay in communication with their landlord and see if they'd be willing to give them some payment reprieve or deferment.
  
- **Property Insurance – Active is important!**

If they're temporarily closing their physical business location, make sure that their resources are protected from any economic or environmental disasters. Recommend businesses talk with their provider to review policy and be certain they'll be protected.
  
- **Have Their Employees Contact EDD and Apply for Unemployment Benefits**

If they do need to temporarily lay off employees, make sure they're aware of unemployment options through the EDD.

## **Evaluation**

CCEDA will maintain the following records:

1. All businesses receiving introductory emails and calls
2. All businesses that respond to emails and calls, including business information
3. All business intakes and screening
4. All information requests satisfied
5. All businesses receiving consultant assistance
6. All businesses that submit applications for SBA or other loans

CCEDA will provide the above information to the City with its regular billing.

**II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:**

**Business Outreach and Milestones**

**Month 1**

1. CCEDA will contact a minimum 300 businesses contacted through phone, website, email or other remote means, working with data collected from the City's business license data;
2. CCEDA will provide intake and screening services to a minimum of 100 businesses;
3. CCEDA will assist Carson businesses submit 50 EIDLs or to the SBA's PPP and other loans packaged loans to disaster lenders.

**Month 2**

4. CCEDA will contact a minimum 300 businesses contacted through phone, website, email or other remote means, working with data collected from the City's business license data;
5. CCEDA will provide intake and screening services to a minimum of 200 businesses;
6. CCEDA will assist Carson businesses submit 50/100 EIDLs, or to the PPP Program or any other disaster loan/grant program, including any City of Carson loan program.

**III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City apprised of the status of performance by delivering status reports to the Contract Officer with each invoice submitted. Such reports shall include but are not limited to:**

- A. Businesses contacted by CCEDA listed by name, address, type of business, mode of contact, and nature of the contact.
- B. Businesses that have received from CCEDA additional technical assistance with responding to the COVID-19 emergency.
- C. Businesses assisted by CCEDA that have applied for one of the SBA loans listed by name, address, type of business, amount of loan, type of loan, number of employees.

- D. Businesses assisted by CCEDA that have received one of the SBA loans listed by name, address, type of business, amount of loan, type of loan, number of employees.
  - E. Businesses assisted by CCEDA that have applied for one of the City-funded Small Business Bridge Loan/Grant Program loans listed by name, address, type of business, amount of loan, type of loan, number of employees.
  - F. Businesses assisted by CCEDA that have received one of the City-funded Small Business Bridge Loan/Grant Program loans listed by name, address, type of business, amount of loan, type of loan, number of employees.
- IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.**
- V. Consultant will utilize the following personnel to accomplish the Services:**
- A. Roberto Barragan, Principal
  - B. Nilima Kapoor, Senior Underwriter
  - C. Bruce Dobb
  - D. Doug Waterman
  - E. Angelica Banuelos
  - F. Ana Rubacalva
  - G. Warren Cooley
  - H. Keith Rodgers
  - I. Bo Sivanunsakul
  - J. Babita Nayak
  - K. Veronica Bryden

**EXHIBIT "B"**  
**SPECIAL REQUIREMENTS**  
**(Superseding Contract Boilerplate)**

The Agreement is hereby amended as follows (additions are shown in *bold italics* and deletions are shown as ~~strikeouts~~):

**Section 2.4, "Invoices," is hereby revised to read as follows:**

*Twice each month* Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding *invoice period* ~~month~~ in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Subcontractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within *thirty (30)* ~~forty-five (45)~~ days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

**EXHIBIT "C"**  
**SCHEDULE OF COMPENSATION**

**I. Consultant shall perform the following tasks at the following rates:**

Scope of Service Steps	Estimated Hours of Labor/Budget
Task 1 - Mobilization and Setup. This is requested as an upfront payment. Consultant shall provide receipts and invoices for all third-party costs. Any internal staff costs shall be shown on the invoice and charged against the total contract costs (Contract Sum) and may not be also billed against Task 2.	Not to exceed \$7,500 inclusive of third party costs and staff costs. If this Task is less than \$7,500, those dollars are available for Task 2.
Remainder of Tasks - Loan Applications, Business Assistance and Submittals to SBA, Banks, Non-Bank lenders, or the City of Carson for action	450 Hours /\$67,500
<b>Total</b>	<b>450 Hours plus mobilization costs \$75,000 /</b>

**II. This Contract contains a provision that the City will pay the Contractor the sum of \$7,500 "upon execution" of the contract for Task 1. Such payment will be processed in the City's Tyler Munis Accounts Payable system at execution, and a check will be available at the next check run of the A/P system. CCEDA shall process a minimum of 90 EIDL, PPP, or other government- or bank-sponsored loan applications, including the Carson Small Business Loan Program applications, within the 450 hours allotted in this Agreement.**

**III. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Consultant may submit invoices twice per month but the City's processing time for each invoice is 30 days. Each invoice is to include:**

A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.

B. Line items for all other approved reimbursable expenses claimed, with supporting documentation. There is not a separate budget for reimbursable costs, except for those described in Task 1, which payment is advanced to Consultant upon Agreement execution.

C. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

**IV. The total compensation for the Services shall not exceed \$75,000 as provided in Section 2.1 of this Agreement.**

The City will consider, but is not obligated to, enter into an amendment to this Contract to increase the total compensation to Consultant based on the satisfactory performance of the tasks, including but not limited to, reaching the milestones included in Exhibit "A" of the Agreement, it being understood that the milestones are merely aspirational and not obligatory.

**V. The Consultant's billing rates for all personnel are as follows:**

Consultant Staff (Name)	Title	Hourly Rate
Roberto Barragan	Principal	\$150
Nilima Kapoor	Senior Underwriter	\$150
Others		\$150