



RFP Control Sheet

NOTIFY MARKETING OF BID-NO BID DECISION BY: 08/20/10 - Cindi

CONTROL #: 24696

RFP SOURCE #:

TITLE: A COMPREHENSIVE ANALYSIS & REVIEW OF CHANGES IN THE CITY'S BUSINESS TAX

ORGANIZATION: CITY OF LOS ANGELES

CONTACT PERSON: MR ED CABRERA

PHONE

TITLE: CHIEF TAX COMPLIANCE OFFICER II

FAX: (213) 978-1780

ADDRESS: CITY OF LOS ANGELES
200 N SPRING ST CITY HALL ROOM 220
LOS ANGELES, CA

DATE DUE: 09/14/10 5:00 PM

DATE RECEIVED:
08/19/10

HOW RECEIVED: Onvia

RELEASED:

COPIES: 7

ORIGINAL NEEDED: 1

NO-BID ATTACHMENT: 0

BIDDER'S CONF: Yes

BID CONF DATE:
08/24/10

MANDATORY: No

LETTER OF INTENT: No

DATE DUE:

MANDATORY: No

BIDDER'S QUESTIONS DUE:
Yes

SUBMIT ALL QUESTIONS BY: 08/20/10 12:00 AM

ADDENDUM NUMBER:

RECEIVED:

MAXIMUM AMOUNT OF AWARD: \$0

PRIMARY RESPONSIBILITY: Tyler Covey

Scope of Work: PG 6

RFP RESPONSE (Circle One): BID - NO BID

CITY OF LOS ANGELES

CALIFORNIA

ANTOINETTE CHRISTOVALE
DIRECTOR OF FINANCE



OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 220 – CITY HALL
LOS ANGELES, CA 90012

(213) 978-1774

ANTONIO R. VILLARAIGOSA
MAYOR

DATE: August 13, 2010

TO: All Prospective Proposers

Attached is a copy of a request for proposal (RFP) for professional assistance to provide the City of Los Angeles with a comprehensive analysis and review of changes in the City's Business Tax proposed by the Business Tax Advisory Committee (BTAC). The City of Los Angeles is seeking proposals from qualified firms with extensive experience in municipal tax law and finance, as well as economic modeling. All proposals shall be submitted in accordance with the requirements set forth in this document. The contract will be a fixed price contract.

A Proposers' Conference will be held at **10:00 AM, Tuesday, August 24, 2010** at:
200 N. Spring St. (Use Main St. Entrance)
City Hall, Room 152 A/B
Los Angeles, California 90012

Attendance at this conference is not mandatory but is strongly recommended. Attendance at the Proposers' Conference constitutes 10 of the 100 points required to demonstrate a "Good Faith Effort" under the Minority Business, Women Business and Other Business (MBE/WBE/OBE) Subcontractor Outreach Program requirements contained in this RFP. **Failure to achieve a minimum of 75 of the possible 100 "Good Faith Effort" evaluation points will render your bid non-responsive and will result in its rejection.** Refer to Appendix G for further information regarding this requirement. The purpose of the conference is to provide assistance to prospective proposers in the interpretation of this RFP, its scope, or any other terms and conditions. The City will make a presentation and respond to proposers' questions.

The City requests prospective proposers to submit their questions for the Proposers' Conference in writing to Ed Cabrera at the address listed below by **5:00 PM, Friday, August 20, 2010**. Questions may also be faxed to (213) 978-1780 or sent via e-mail to Ed.Cabrera@lacity.org. Written responses to questions will be distributed to all proposers in attendance at the Conference and to other proposers upon request. The City will respond only to questions that are submitted in writing to ensure that all proposers are treated equally during the RFP process.

Proposals and questions shall be delivered to:

Office of Finance, Tax & Permit Division
Attention: Ed Cabrera, Chief Tax Compliance Officer II
200 N. Spring St., City Hall Room 220
Los Angeles, CA 90012

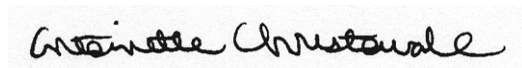
Proposals are due no later than 5:00 PM, September 14, 2010. The City reserves the right to extend the deadline for response to this RFP and to waive any informality in procedure should such action be deemed in the best interest of the City. All written communications should be directed to the address above. Thank you for your interest in this project.

Per Los Angeles City Charter sections 371(e)(10) and 372 and Los Angeles Administrative Code section 10.15(a)(10), I determine and find that the services described in the Request for Proposal dated August 13, 2010 for a Review of Proposed Revisions to the Los Angeles Business Tax ("RFP") are professional, technical, expert, and/or special because they require the services listed below for which the use of competitive bidding would be undesirable, impractical and where the common law otherwise excuses compliance with competitive bidding requirements. The following are some, but not all, of the professional, expert, technical, and special requirements and services the Office of Finance seeks in the RFP:

- Provide a comprehensive analysis and review of proposed changes to the Los Angeles Business Tax;
- Provide a projection of the revenue, jobs and tax base impact of proposed changes to the Los Angeles Business Tax;
- Provide predictive model analyzing the fiscal impact resulting from various proposed changes to the Business Tax; and
- Demonstrate expertise in analyzing the impact of local tax policies on the local economy.

Neither the Office of Finance nor the City Administrative Officer has available staff with the requisite skills and knowledge available to perform the tasks sought in this RFP.

Sincerely,



Antoinette Christovale
Director of Finance

Attachments

REQUEST FOR PROPOSAL

REVIEW OF PROPOSED REVISIONS TO THE LOS ANGELES BUSINESS TAX



*City of Los Angeles
Office of Finance*

August 13, 2010

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***CITY OF LOS ANGELES
REQUEST FOR PROPOSAL***

**REVIEW OF PROPOSED REVISIONS TO THE
LOS ANGELES BUSINESS TAX**

I. Intent and Background

A. Intent

The City is seeking proposals from qualified firms to provide the City of Los Angeles with an analysis and review of changes to the City's Business Tax proposed by the Business Tax Advisory Committee (BTAC). The successful bidder's analysis and report will address areas including, but not limited to, assessing the fiscal impact on all the City's revenue sources of proposed changes and identifying the financial impact, if any, on the City's operational resources that may be required to implement and administer the newly enacted programs associated with the proposed changes.

B. General Overview

The City of Los Angeles is the second largest city in the United States with a population of approximately 4 million. The City has enacted several general-purpose taxes to fund needed services for its citizens. One of the major sources of revenue is the City's Business Tax. The Office of Finance (Finance), pursuant to the City Charter, is the tax collector for the City and is responsible for collecting and enforcing the various tax ordinances of the City. During Fiscal Year 2008 – 2009, net Business Tax revenue was \$451 million. The 2009-10 Adopted Budget projects Business Tax revenue of approximately \$426 million, or 9.5% of the City's total General Fund revenues of \$4.3 billion.

The City of Los Angeles has enacted a Business Tax that is, for the most part, measured by the taxable gross receipts of the business. Businesses operating in the City must have a valid Tax Registration Certificate and pay any applicable Business Tax. The tax is a self-assessed tax with the Office of Finance having the statutory authority to audit businesses to ensure that the proper tax has been paid. There are now approximately 420,000 active Business Tax accounts in the City's database. The City's Business Tax laws are found in Article 1, Chapter 2 - Business and Sales Taxes of the Los Angeles Municipal Code (L.A.M.C.) which can be accessed at the Office of Finance website at www.lacity.org/Finance/.

II. Scope of Services

The Office of Finance is interested in receiving proposals to conduct a comprehensive

analysis and review of changes to the City's Business Tax proposed by the Business Tax Advisory Committee (BTAC) by contracting for such services. The purpose of the changes proposed by the BTAC is to attract businesses to, retain businesses in, and encourage business expansion within the City of Los Angeles.

The selected contractor shall review and analyze the overall revenue impact of:

1. Rate changes to the Los Angeles Business Tax (LABT);
2. Limits on the LABT paid by businesses;
3. Addition of an Administrative Headquarters classification to the LABT;
4. Inclusion of various proposed incentives in the LABT;
5. Various changes in the calculation of the LABT.

The Review shall also include, but not be limited to, analyzing the impact of various initiatives in relation to the additional objectives of increasing the tax base and creating incremental jobs, thereby increasing proceeds to the City from greater sales tax receipts, property (both residential and commercial) tax receipts, and other fees and fines from permits, licenses, etc. and also quantify the economic multiplier effects of the proposed initiatives. The Review will also examine the operational resources required for implementation and administration of each initiative.

Specifically, the selected contractor will prepare a predictive model analyzing the fiscal impact based upon various proposals, examples of which are listed below. Each of these proposals will be evaluated independently and in the aggregate for all proposals:

1. Analyze the reduction in tax rates for Classifications 6 – 9 which include, but are not limited to, Professional Services Firms, Telemarketers, Collection Agencies, Brokers and Personal Services Firms, from tax rates of Classes 6 (0.255%), 7 (0.315%), 8 (0.356%) and 9 (0.507%). The model will determine the impact of a 0.10%, 0.15%, 0.20% and 0.25% tax rate for all taxpayers falling within those classifications.
2. Limit the maximum total annual Gross Receipts Tax payable by any taxpayer to \$2 million per legal entity.
3. Establish a tax rate of 0.101% for companies that establish or maintain their corporate administrative headquarters in Los Angeles so long as they either (i) employ a minimum of 200 people at their headquarters location or (ii) invest capital expenditures of at least \$25 million in, and employ at least 100 people at, their headquarters location.
4. Create a Transit Oriented Development Incentive – Reduce by 50% the City business tax rate for all businesses with up to \$1 million of gross receipts located within one-half mile of MTA/Metrolink or Public transit stops excluding bus stops but including dedicated busway stops (e.g., the Metro Orange Line) for the first five years after the business commences generating gross receipts at that location; in year six, the discount declines to 40%; in year seven, 30%; in year eight, 20%; in year nine, 10%; and in the tenth year of operations, there is no reduction in the business tax rate.

5. Establish Business Retention Incentive – Commencing with the sixth year (i.e., after 72 months have elapsed) of a business maintaining its location in Los Angeles, the taxpayer/business would receive a credit towards its current annual gross receipts taxes due equivalent to 10% off of the total business taxes owed for each of years six through 10. The company would receive an additional credit on its business tax bill equivalent to 25% off of the total business tax owed for each year thereafter starting with year 11 onward.
6. Increase Commercial Production Incentive – Amend L.A.M.C. Section 21.109 to assess the minimum tax of \$145 for production costs incurred up to \$5,000,000.
7. Expand New Business Tax Incentive – Amend Section 21.30 to remove the requirement that new businesses qualifying for the incentive have less than \$500,000 in annual gross receipts; extend the timeframes and incentives as follows: first three years following location within the City – pay no business tax; the fourth year following location within the City – pay 1/3 of business tax otherwise due; the fifth year – pay 2/3 of business tax otherwise due; and in the sixth year – pay 100% of business tax otherwise due.
8. Create a Business Tax Incentive for Job Creation in the City of Los Angeles – Offer a tax credit for each new job created by businesses located within the City of Los Angeles. The tax credit would be based on increase in year-over-year total number of jobs in a business. Credits are calculated in increments of \$100 per new job created on an escalating scale based on their respective assessed tax rate (e.g., \$100 if assessed at \$0.101 or \$0.127, \$200 if assessed at \$0.255, \$300 if assessed at \$0.315, \$400 if assessed at \$0.356 and \$500 if assessed at \$0.507).

Several prior studies of the City's system of taxation are available for reference on the Office of Finance website, www.finance.lacity.org/ReformDocuments.html, under "*Documents Related to Business Tax Reform*".

The proposal must show how the proposer's knowledge, expertise and experience would apply to the completion of the requirements listed above. The proposal must describe the methodology to be used to address each requirement and provide assurance that any information, advice or projection provided by the contractor in response to the above requirements will be supported by adequate documentation. The proposed Review shall be divided into logical phases with a draft report to be submitted upon the conclusion of each logical phase. A schedule for the completion of each logical phase of the Review shall be included in the proposal.

The Office of Finance's LATAX / Systems Division will cooperate with the selected contractor to provide necessary City tax data. The City's tax data do not include economic data such as payroll or employment information. The LATAX system captures taxpayer information such as name, business and mailing addresses, fund class, tax measure, tax payments, and industry code.

III. Proposer's Conference

A Proposers' Conference will be conducted at **10:00 AM, Tuesday, August 24, 2010** at:

**City Hall – Room 152 A/B
200 N. Spring St. (Use Main St. Entrance)
Los Angeles, California 90012**

Attendance at this Conference is not mandatory but is strongly recommended. The purpose of this Conference is to provide assistance to prospective proposers in the interpretation of the RFP, scope, or any other terms and conditions. The City will make a presentation and respond to proposers' questions.

Proposers are requested to submit in writing, and questions for discussion at the conference no later than **5:00 PM, Friday, August 20, 2010** to:

**Ed Cabrera, Chief Tax Compliance Officer II
Office of Finance, Tax & Permit Division
200 N. Spring St. Room 220
Los Angeles, CA 90012**

Questions may also be sent to Mr. Cabrera by fax at (213) 978-1780 or by e-mail at ed.cabrera@lacity.org. Written responses to questions will be distributed to all proposers in attendance at the Conference and to other proposers upon request. The City will respond only to questions that are submitted in writing in order to ensure that all proposers are treated equally during the RFP process. **Please note that attendance at this conference constitutes 10 of the 100 points required to demonstrate a "Good Faith Effort" under the Minority Business, Women Business and Other Business Enterprises (MBE/WBE/OBE) Subcontractor Outreach Program requirements contained in Appendix G of this RFP. Failure to achieve a minimum of 75 of the possible 100 "Good Faith Effort" evaluation points will render your bid non-responsive and will result in its rejection.**

IV. Timetable And Deliverables

August 13, 2010	RFP Published
August 20, 2010	Deadline for submission of written questions for discussion at the Proposers' Conference
August 24, 2010	Proposers' Conference
September 14, 2010	Last day for proposers to respond to RFP
October 5, 2010	Review by Evaluation Committee completed. Director of Finance to notify selected proposer of intention to accept proposal and award contract subject to successful contract

negotiation.

November 2, 2010	Selected proposer and City execute contract and set schedule for delivery of draft reports for each logical phase of the Review.
Various	Draft reports of selected contractor's findings upon completion of each logical phase of the Review with final report due 3 months after execution of contract.
February 2, 2011	Final contractor's report fully addressing all issues in Section II, Scope of Services of this RFP including any assumptions made in the analysis of each proposed change to the City's Business Tax, all supporting calculations and source data used in arriving at their calculations and projections.
February 3 to August 3, 2011	Contractor to be available to assist City staff in interpreting the report and making presentations to the City Council and its committees and others as determined by the Office of Finance for up to 6 months after completion of the Review.

V. Contents of Proposal

Proposals shall be organized generally as described below. You should note the various attachments that must be submitted with your proposal. Failure to follow these guidelines may cause your proposal to be considered non-responsive.

A. Cover Letter

The cover letter of each proposal shall be limited to one page. The letter must include the name, title, address, and telephone number of the person or persons who will be authorized to represent the proposer. The letter must be signed by a company officer authorized to bind the company to all commitments made in this proposal.

B. Business Organization

- 1.** State the full name and address of your organization and, if applicable, any branch or district office that will be conducting the Review.
- 2.** Indicate whether you operate as an individual, partnership, or corporation. If a corporation, include the State in which you are incorporated.
- 3.** Provide copies of any license(s) and/or registration(s) which indicate that your firm is licensed and/or registered to operate in the State of

California and the City of Los Angeles.

4. If you propose to subcontract any portion of the work in your proposal, identify the subcontractor(s).

C. Key Personnel

The contractor must be able to demonstrate capability and appropriate experience of key personnel that will be assigned to conduct and manage this Review. Key personnel assigned to the Review shall be identified by name and title, and include a statement of the Review area(s) for which each will be responsible. Resumes for these key personnel are required to be submitted as well as those of other employees the contractor will be employing to perform the various portions of the Review. The City shall have the right to conduct background verifications on all personnel directly assigned to the Review, including the key personnel noted above. The City will reserve the right to approve any changes in key personnel and to require the replacement of non-performing personnel assigned to the Review. The same requirements will apply to any subcontractors.

D. Confidentiality Requirements

All personnel involved in the Review may be required to execute City Confidentiality Agreements. A sample Office of Finance confidentiality agreement is attached for reference (see Appendix N). Any individual taxpayer payment information received from City files shall be regarded as confidential under Section 21.17 of the L.A.M.C. and may not be disclosed without written permission of the City's representative. Any taxpayer information received by the contractor from the City shall not be released to, or used for the benefit of any clients or employees of the contractor or any other person(s) except as authorized by the City's representative.

Describe the safeguards you would put in place to ensure confidential taxpayer information cannot be used for unauthorized purposes.

E. Prior Experience

Submit a statement of similar work or services you have provided to the City or other public and private sector entities. Provide a description of the relevant experience, the duration of the project, and the ending date. Include the name, address, and telephone number of the responsible person in the referenced jurisdiction whom the City can contact to verify this work.

F. Statement of the Program

Provide a straightforward, concise statement of your understanding of the Review requirements and objectives and demonstrate the ability to provide the required analysis and recommendations in each of the areas listed in Section II – Scope of Services.

G. Fee for Services

The selected contractor will be compensated on a fixed price basis. The proposer must state the fee required to perform all work, including billing hours and rates and other costs. The proposal must break down the project into logical phases and state the portion of the fee associated with completion of each logical phase. If the proposal assumes assistance from the City, this must be clearly stated. Payment will be made upon acceptance of the final report on behalf of the City by the Director of Finance as recommended by the City committee that will be overseeing the Review. If the contractor requires any payment prior to City acceptance of the final report, the proposer must clearly state the desired payment schedule and milestones to be accomplished prior to any partial payment. Notwithstanding any other provision of this Request for Proposal, including any exhibits or attachments incorporated therein, and in order for the City to comply with its governing legal requirements, the City shall have no obligation to make any payments under an agreement resulting from this Request for Proposal unless the City shall have first made an appropriation for funds equal to or in excess of its obligation to make any payments as provided in any resulting agreement.

H. Proposal Addendum

All requirements listed below must be strictly adhered to and all applicable signed statements pertaining to the following must be submitted:

1. Contractor Responsibility Ordinance (See Appendix B)
2. Nondiscrimination – Equal Employment Practices - Affirmative Action (See Appendix C)
3. Certification of Compliance With Child Support Obligations (See Appendix D)
4. Service Contract Worker Retention and Living Wage Ordinance Compliance (See Appendix E)
5. Certification regarding Compliance with the Americans With Disabilities Act (See Appendix F)
6. Minority Business Enterprise / Women Business Enterprise / Other Business Enterprise Outreach Program (See Appendix G)
7. Certification of Compliance With Equal Benefits Ordinance (See Appendix H)
8. Slavery Disclosure Affidavit (See Appendix I)
9. Non-Collusion Affidavit (See Appendix J)
10. Workforce Residence Information (See Appendix K)
11. Prior City Contract History Form (See Appendix L)
12. Bidder Certification – CEC Form 50 - Compliance with Municipal Lobbying Ordinance (See Appendix M)
13. City of Los Angeles – Confidentiality Agreement (See Appendix N)

I. Additional Information

Any other information that you believe will be essential to complete an evaluation of your proposal should be clearly stated. If you have no additional information, this section of your proposal should consist of the following statement: "There is no additional information we wish to present."

J. Omissions and/or Deviations

Any omissions and/or deviations from this proposal must be listed with complete explanations.

VI. Proposal Requirements

This section sets forth provisions, which will be incorporated into any contract awarded pursuant to the RFP and also identifies the forms, certifications, request for information, and affidavit which must be completed and returned with the proposal. Failure to provide the information requested and/or to submit the necessary forms may result in the proposal being deemed non-responsive.

A. Contract Term

The Office of Finance, subject to the approval of the City Council, anticipates negotiating a contract with a duration of 12 months.

B. Standard Provisions

The selected Proposer will be required to enter into a written contract with the City of Los Angeles in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal will remain on file and will constitute a part of the contract. However, the City reserves the right to further negotiate the terms and conditions of the contract with the selected contractor. The final contract offer of the City may contain additional terms or terms different from those set herein. The Standard Provisions for City Personal Services Contracts are attached as Appendix A. These provisions include, but are not limited to, the following:

1. Indemnification

The Contractor will be required to indemnify the City in accordance with the provisions set forth in PSC-20 of the Standard Provisions for City Personal Services Contracts.

2. Insurance

The Contractor will be required to provide insurance in accordance with the Insurance Requirements, Appendix A - Exhibit 1, attached to the Standard

Provisions for City Personal Services Contracts. In addition, insurance forms, which must be completed and approved by the City Attorney Insurance and Bonds Section prior to contract execution are also included. These forms are for information only and do not need to be returned with the response.

3. Business Tax Registration Certificate

The selected Proposer shall be required to demonstrate compliance with the City's business tax laws by acquiring/maintaining one of the following: Business Tax Registration Certificate, Vendor Registration Number, or Certificate of Exemption. The Certificate or Registration Number must remain in force during the entire period of the contract.

C. Termination of Contract

Any contract awarded pursuant to this RFP may be terminated in whole, or in part, by the City for its convenience effective as of any date, upon ten (10) days written notice thereof. The City reserves the right to verify the information in the proposal and to consider unverifiability in its decision making. If it is determined that a contract was awarded as a result of false statements submitted in response to this RFP, the City reserves the right to terminate that contract.

D. Contractor Responsibility Ordinance

Requests for Proposals, Requests for Bids, Requests for Qualifications or other procurement process are subject to the provisions of Contractor Responsibility Ordinance, Section 10.40 et seq. of Article 14, Chapter 1 of Division 10 of the Los Angeles Administrative Code, unless exempt pursuant to the provisions of the Ordinance.

This Ordinance requires that all proposers/bidders complete and return with their response the responsibility questionnaire included in this RFP as Appendix B. Failure to return the questionnaire may result in the proposer being deemed non-responsive.

The Ordinance also requires that if a contract is awarded pursuant to this procurement, the contractor must update responses to the questionnaire within 30 days, after any changes to the responses previously provided if such change would affect the contractor's fitness and ability to continue performing the contract.

Pursuant to the Ordinance, by executing a contract with the City, the proposer pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees. Further, the Ordinance requires each contractor to: (1) notify the awarding authority within 30 days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor is not in compliance with Section 10.40.3 (a) of the Ordinance, and (2) notify the awarding

authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated Section 10.40.3. Please refer to Appendix B for further details regarding these requirements.

E. City Affirmative Action Program and Non-Discrimination Requirements

Proposers awarded a contract pursuant to the RFP shall comply with the Non-Discrimination, Equal Employment Opportunity, Affirmative Action Program set forth in Section 10.8, et seq. of the Los Angeles Administrative Code.

Pursuant to this Section, a Non-Discrimination, Equal Employment Opportunity, Affirmative Action Plan shall be submitted with the proposal. A proposer may either adopt the City of Los Angeles Plan, which is attached hereto as Appendix C, or submit its own. Regardless of the type of Plan submitted, it must be reviewed and approved by the Department of Public Works, Office of Contract Compliance before the contract is executed by the City. In the case of prior submission of a plan, the proposer may submit documentation that it has a Non-Discrimination, Equal Employment Opportunity, Affirmative Action Plan approved by the Office of Contract Compliance. If the approval is thirty days or less from expiration, the Proposer must submit a new Plan with its proposal.

F. Minority Business Enterprises, Women Business Enterprises and Other Business Enterprises

The Policy of the City of Los Angeles is to provide Minority Business Enterprises (MBE), Women Business Enterprises (WBE) and all Other Business Enterprises an equal opportunity to participate in the performance of all City contracts. Proposers shall assist the City in implementing this policy by taking all reasonable steps to ensure that all available Enterprises, including local MBEs and WBEs, have an equal opportunity to compete for and participate in City contracts. Equal opportunity will be determined by the proposer's good faith efforts to comply with the City's outreach program. **All Proposers are to comply with "MBE, WBE and Other Business Enterprises Subcontractor Outreach Program" requirements (Appendix G). Failure to make a good faith effort to comply with the policy by submitting good faith effort documentation with the proposal sufficient to achieve 75 of 100 evaluation points will render the proposal non-responsive and will result in its rejection.** Please note that attendance at the Proposers' Conference comprises 10 points of the possible 100 points used in determining compliance with the "Good Faith Effort" requirements. Information and/or assistance regarding this program may be obtained from the Mayor's Office of Economic & Business Policy at (213) 978-0781.

G. Service Worker Retention and Living Wage Ordinance Compliance

Unless otherwise exempt, this RFP is subject to the Service Contract Worker Retention Ordinance (SCWRO), Section 10.36 et seq., and the Living Wage Ordinance (LWO), Section 10.37 et seq., of the Los Angeles Administrative Code.

Consult “Service Contract Worker Retention (SCWRO) / Living Wage Ordinance (LWO)” in Appendix E for additional information.

H. Equal Benefits Ordinance

Unless otherwise exempt, the RFP is subject to the Equal Benefits Ordinance, Los Angeles Administrative Code Section 10.8.2.1 et seq., which applies to contracts in excess of \$5,000 and requires that contractors provide the same benefits to domestic partners of employees that are provided to spouses of employees. Proposers shall complete and return with their proposal a Certification of Compliance Form and, if appropriate, the Reasonable Measures Certification or the Substantial Compliance Certification form. Attached hereto as Appendix H is information on the Equal Benefits Ordinance, including the Certification of Compliance with Equal Benefits Ordinance, Reasonable Measures Application for Equal Benefits Ordinance form, Provisional Compliance form and Subcontractor Information form.

I. Prior Contracts With The City

All proposers **must** include a list of **all** contracts with the City for the past ten (10) years using the Prior City Contract History form attached as Appendix L.

J. Affidavit of Non-Collusion

Proposers shall complete and return with the proposal, an affidavit of non-collusion signed by a person(s) authorized to bind the proposer (see Appendix J), which states that:

1. The proposal is genuine, not a sham or collusive;
2. The proposal is not made in the interest of or on the behalf of any person not named in the proposal;
3. The Proposer has not directly or indirectly induced or solicited any person to submit a false or sham proposal or to refrain from proposing;
4. The Proposer has not in any manner sought by collusion to secure an advantage over any other proposer.

K. Disposition of Proposals and Disclosure of Information

The City reserves the right to retain all proposals submitted and the proposals will become the property of the City of Los Angeles. All proposals received will be considered public records potentially subject to disclosure under the Public Records Act (California Government Code Section 6250 et seq.). Proposers must identify any material they claim is exempt from disclosure under the Public Records Act. Any Proposer claiming such an exemption must identify the specific provisions of the Public Records Act that provide an exemption from disclosure for each item that the

proposer claims is not subject to disclosure under said Act. In the event that such exemption is claimed, the proposer must then state in the proposal that he or she will defend, indemnify and hold harmless the City, its officers and employees from any action brought against the City for its refusal to disclose such material to any party making a request therefore. Failure of a Proposer to include such a statement shall constitute a waiver of proposer's right to exemption from disclosure.

L. Withdrawal of Proposal

Each proposal must contain a statement that the proposal shall remain firm for a period of one hundred twenty (120) calendar days following the deadline date for submission of proposals to the Office of Finance, which date is noted in the cover letter and body of this RFP.

M. Required Copies and Deadline for Submission of Proposal

Proposers must supply all information requested in the format prescribed by this RFP. One typed original and seven clear copies of the proposal are required. The proposal shall be addressed to:

Ed Cabrera, Chief Tax Compliance Officer II
Office of Finance
200 N. Spring Street, Room 220
Los Angeles, CA 90012

No proposal will be accepted after **5:00 P.M., Tuesday, September 14, 2010**. The City reserves the right to extend the deadline for response to this RFP and to waive any informality in procedure should such action be deemed in the best interest of the City. In the event this date is changed, those who have been sent the RFP will be notified in writing. The City may require oral presentation of the proposals by the proposers to a review committee. The City reserves the right in its sole discretion to determine the timeliness of all proposals, extend the submission deadline and/or to reject all proposals.

N. Mandatory Protest Provisions

Any protest as to the RFP documents or matters or procedures referred to therein must be submitted in detail and in writing and postmarked within 5 calendar days after the issuance of the RFP to the public. The RFP is considered issued when posted to the Los Angeles Business Assistance Virtual Network at <http://www.labavn.org/>. All persons submitting proposals in response to this RFP will be notified of the City's intended award by mail. Any protest regarding the City's intention to award a contract which results from this RFP process must be submitted in detail and in writing and be postmarked within 7 calendar days of the postmark date of the City's notification letter concerning the City's intention to award a contract that results from this RFP process.

Any protest, whether relating to the RFP or to the eventual awarding of a contract resulting from this RFP process, shall contain a full and complete statement specifying in detail the grounds of the protest and the facts in support thereof. All protests must include the following information:

1. The name address and telephone of the person representing the protesting party;
2. The name of the involved RFP;
3. A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents and an indication as to what specific portions of the documents form the basis of the protest;
4. A statement as to the form of relief requested; and
5. Any evidence as to why the RFP should not issue, or in the event of a protest concerning a contract award, any reasons or evidence as to why a contract award should not be made according to the City's plans;
6. If applicable, a request that a hearing with the Director of Finance, or her designee, be set within 7 calendar days of the actual receipt by the City of the protest or, in the alternative, a statement that the protester waives such hearing.
7. A request that the Director of Finance, or her designee, issue a decision either sustaining or denying the protest.

All protests, whether relating to the RFP or a resulting contract award, must be in writing and sent via certified mail to:

Antoinette Christovale, Director of Finance
Office of Finance
200 N. Spring St., Room 220
Los Angeles, California 90012

The procedure and time limits set forth in this Section are mandatory and are the sole and exclusive remedy available in the event of protest. Failure to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Code claim or legal proceedings. The City will only consider protests by or against any Proposer(s) who appear to have a substantial and reasonable prospect of receiving an award if the protest is denied or sustained, as applicable.

Protests meeting the above criteria will be reviewed by the Director of Finance, or her designee. Protesting parties requesting a hearing will be notified of the time and date of a hearing within seven (7) calendar days of the actual receipt of the written protest with the Director of Finance or her designee. Protestors requesting a hearing will be given the opportunity to present their arguments to the Director of Finance, or her designee. The Director of Finance, or her designee, will hear and consider the contents of any written protest and/or any arguments made at the time of the hearing, and will issue by mail a decision in writing to the protester that either denies or

sustains the protest within 5 calendar days. The decision of the Director of Finance, or her designee, shall be final.

O. Child Support Ordinance

This Contract is subject to the Child Support Ordinance, Los Angeles Administrative Code Section 10.10 et seq. Proposers shall complete and return with their proposal, the Certification of Compliance with Child Support, which is attached hereto as Appendix D.

P. Americans With Disabilities Act

The City is a covered entity under Title II of the Americans with Disabilities Act, 42 U.S.C.A. Section 12131 et seq. Proposers shall complete and return with their proposal, the Certification Regarding Compliance with the Americans with Disabilities Act which is attached hereto as Appendix F.

Q. Workforce Information

The policy of the City of Los Angeles is to encourage businesses to locate or remain in the City. Therefore, the City Council requires all City departments to gather information regarding the headquarters address and other information on the employees of vendors contracting with the City. The following information shall be included with the proposal (see Appendix K):

1. Headquarters address of your company.
2. Total workforce.
3. Percentage of the total workforce residing in Los Angeles.
4. Percentage of total workforce working in Los Angeles.
5. The address of any branch office(s) within the City of Los Angeles.
6. Workforce in each City of Los Angeles branch office.
7. Percentage of workforce in each City of Los Angeles branch office residing in the City of Los Angeles.
8. Percentage of workforce assigned to each branch office in the City of Los Angeles.

R. Confidentiality Requirements

As previously mentioned, all information received from Taxpayer or City files shall be regarded as confidential under Section 21.17 of the Los Angeles Municipal Code and may not be disclosed without written permission of the City's representative. Any information received by the contractor from the City shall not be released to or used for the benefit of any clients or employees of the contractor or any other person(s) without written permission of the City's representative, additionally information received by the contractor may only be used for the purpose of completing the specific scope of this project and may not be divulged to any other entity. All contractor personnel involved in the Review may be required to sign City Confidentiality Agreements.

VII. Selection Criteria

Each proposal must meet all requirements included in Section VI of this RFP and be evaluated according to the criteria set out below.

Total Possible 100 Points:

Proposal Quality, Responsiveness and Technical Solution 0-25 Points

Written proposals will be evaluated for adherence to the RFP requirements, specific technical solution(s), completeness and clarity of content. Proposals should provide a straightforward, concise statement of the proposer's understanding of the project tasks and objectives. The proposed methodology and approach to the work will be evaluated in terms of appropriateness, ability / willingness to meet the timeline described in Section IV of this RFP, and consideration of relevant issues that may not have been mentioned in the RFP.

Comparable Experience 0-25 Points

The experience of proposers in having accomplished similar reviews or analyses.

Evaluation of Key Personnel 0-25 Points

The relevant experience of key personnel to be assigned to the Review should be clearly set forth. An organizational structure for the Review should be provided, with the key personnel to be assigned identified as to their functions and responsibilities.

Fee for Services – (Fixed price) 0-25 Points

Proposals will be evaluated by a review committee composed of representatives of the City. The Committee will evaluate the proposals on the basis of experience and qualifications of the proposer(s), its personnel, its Southern California presence, compensation and other factors previously mentioned.

At the discretion of the City, firms submitting the most responsive proposals may be required to make oral presentations to the review committee. The successful Proposer(s) will be named after the proposals and presentations (if any) are evaluated to select the most qualified firm(s). Proposers will be notified of the time and place of any oral presentations not more than five (5) days nor less than two (2) days prior to the event. Any contract(s) awarded pursuant to this RFP is subject to the Contractor Evaluation Ordinance which requires awarding authorities to evaluate contractors' performance and to retain such evaluative information in a data bank for future reference.

VIII. Required Contract

The selected Proposer will be required to enter into a written contract with the City of Los Angeles in a form approved by the City Attorney. A copy of this RFP with all attachments and the successful proposal will remain on file and will constitute a part of the contract. However,

the City reserves the right to further negotiate the terms and conditions of the contract with the selected contractor. The "Standard Provisions for City Personal Services Contracts" (Appendix A) will be incorporated into the contract and are not subject to negotiation.

IX. Acceptance of Terms and Conditions

Submission of a proposal pursuant to this RFP shall constitute acknowledgement and acceptance of all terms, conditions, and content set forth in this RFP.

X. Rejection of Responses to RFP

The City reserves the right to withdraw this RFP at any time without prior notice and the right to accept or reject any and all responses to it. The City may also reject the proposal of any proposer who has failed to timely and satisfactorily perform any contract with the City. The City makes no representation that any contract will be awarded to any person or firm responding to this RFP.

XI. Financial Responsibility

All costs incurred in responding to this RFP shall be borne by the proposer. The City shall not, in any event, be liable for any pre-contractual expenses incurred by the proposer in the preparation and/or submission of its proposal.