

AGREEMENT FOR REHABILITATION

THIS AGREEMENT ("Agreement") is entered into on May 1, 2018, by Jennie Lavin, ("HOMEOWNER(S)), A-Custom Construction Co., ("CONTRACTOR"), and the CITY OF COMMERCE ("CITY")

RECITALS

WHEREAS, CONTRACTOR, and CITY desire to enter into a contract to formalize their relationship; and

WHEREAS, pursuant to Title I of the Housing and Community Development Act of 1974, the Los Angeles Community Development Commission (LACDC) is authorized by the federal Department of Housing and Urban Development (HUD) to provide Community Development Block Grant Program funds ("CDBG funds") to units of local government selected to undertake and carry out certain programs and projects under the Los Angeles Community Development Block Grant Program in compliance with all applicable local, state, and federal laws, regulations and policies; and

WHEREAS, CITY, as part of its CDBG grant agreement with LACDC, has been awarded CDBG funds for the purposes set forth herein; and

WHEREAS, the Scope of Work included in this contract is authorized as part of the CITY approved CDBG project.

NOW, THEREFORE, in consideration of the mutual promises, covenants and provisions contained herein, and the mutual benefits to be derived therefrom, the parties hereto agree as follows.

AGREEMENT

A. Scope of Work and Compensation

CONTRACTOR agrees to commence and complete the work identified in the Scope of Work set forth in Exhibit 1 (the "Work"), which is attached hereto and incorporated herein by reference, for the Contract Price of **\$19,995.00 (Nineteen Thousand Nine Hundred Ninety-Five Dollars)**. The Work is to be completed for the eligible residence located in the City of Commerce. CONTRACTOR shall perform the Work in compliance with CITY's General Conditions, which are attached hereto as Exhibit 2 and incorporated herein by reference. CONTRACTOR shall furnish all permits, labor, materials and supplies necessary to complete the Work in accordance with all plans and specifications. CONTRACTOR hereby agrees to commence the Work within 30 consecutive days from the date of this Agreement.

CONTRACTOR agrees to complete all Work described in Exhibit 1 within 45 days from the date of this Agreement.

CITY agrees to pay CONTRACTOR, within a reasonable amount of time following receipt of an invoice, accompanied by a Material/Labor Lien release form and final permit (if applicable) from CONTRACTOR. CONTRACTOR may submit a final payment invoice along with a Material/Labor release form and a final permit (if applicable) for payment no later than 10 days after all work has been completed.

B. Notice to Proceed

CONTRACTOR will receive a Notice to Proceed for the approved Scope of Work after all plans (if necessary) have been reviewed and approved by the CITY's Planning and Building Departments and CONTRACTOR has received all necessary permits. CONTRACTOR must provide the CITY with a copy of such final permits and approved plans in order to receive the Notice to Proceed. CONTRACTOR agrees to complete the Work by no later than 30 days from the execution of this Agreement.

It is understood that this contract is funded in whole or in part with CDBG funds through the Los Angeles County Community Development Block Grant Program as administered by LACDC and is subject to those regulations and restrictions normally associated with federally-funded programs and any other requirements that the state may prescribe.

C. Records

CONTRACTOR agrees to maintain such records and follow such procedures as may be required under the state's CDBG Program and any such procedures as the City of Commerce or LACDC may prescribe. In general, such records will include information pertaining to the contract, obligations and unobligated balances, assets and liabilities, outlays, equal opportunity, labor standards (as appropriate), and performance.

CONTRACTOR shall keep all records of funds received from the CITY and make them accessible for audit or examination for a period of five (5) years after final payments are issued and other pending matters are closed. (24 CFR Part 84, Sec. 84.53)

CITY, LACDC and other authorized representatives of the state and federal government shall have access to any books, documents, papers and records of the consultant which are directly pertinent to the contract for the purpose of making audit, examination, excerpts, and transcriptions.

D. Termination

This contract may be terminated by mutual consent of the parties or by either party upon thirty (30) days written notice and delivered by certified mail or in person. (24 CFR Part 84, Sec. 84.60)

E. Liquidated Damages

If CONTRACTOR fails to complete the Work by the Completion Date specified in the written "Notice to Proceed," CONTRACTOR shall pay HOMEOWNER liquidated damages which will be assessed and deducted from the amount owed to CONTRACTOR. The liquidated damages will begin on the fifth calendar day after the Completion Date, at the rate of One Hundred Dollars and 00/100 (\$100.00) per week or any portion thereof, until the Work is completed. The term "complete" shall mean the completion of all line items in the Scope of Work and receipt of final signature from the CITY Building Inspector. The parties acknowledge that the delay in completing the Work will have a substantial detrimental impact on the HOMEOWNER and that it is not possible to precisely fix the damages HOMEOWNER will incur. The liquidated damages specified by this section are a reasonable estimate of those damages and do not represent a penalty.

CONTRACTOR agrees that if HOMEOWNER has any complaints about the Work during the 12 month period after completion of the Work (date Notice of Completion is recorded and/or final inspection date of the property), HOMEOWNER is to contact CONTRACTOR who shall correct such items that have been inadequately completed as specified within the Scope of Work. **CITY should only be contacted if CONTRACTOR fails to make the necessary correction(s) within a reasonable time.** CITY shall not be required to correct the Work deficiencies or to fulfill CONTRACTOR's obligations.

F. Independent Contractor

CONTRACTOR is and shall perform its services under this agreement as a wholly independent contractor. CONTRACTOR shall not act nor be deemed an agent, employee, officer or legal representative of HOMEOWNER or CITY. This agreement is not intended to and does not create the relationship of partnership, joint venture or association between HOMEOWNER and CONTRACTOR or CITY and CONTRACTOR.

G. CONTRACTOR to Provide Required Personnel; Subcontracting

CONTRACTOR shall provide and direct the necessary qualified personnel to perform the Work required of and from it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing work of a similar nature at the time the Work is completed. CONTRACTOR may not have a subcontractor perform any services required under this agreement unless the subcontractor is first approved and authorized to perform such Work under Exhibit 1.

H. Licenses

CONTRACTOR warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals performing the Work such as all applicable regulating governmental agencies and are in good standing with such applicable regulating governmental agencies.

I. Conflict of Interest

CONTRACTOR agrees that any conflict or potential conflict of interest shall be fully disclosed prior to execution of contract and that CONTRACTOR shall comply with all applicable federal, state and county laws and regulations governing conflict of interest, in accordance with 24 CFR Part 84, Sec. 84.42.

J. County Lobbying Certification

It is understood that each person/entity/firm who applies for a Community Development Commission contract, and as part of that process, shall certify that they are familiar with the requirements of the Los Angeles County Code Chapter 2.160, (Los Angeles County Ordinance 93-0031) and; that all persons/entity/firms acting on behalf of the above named firm have and will comply with the County Code, and; that any person/entity/firm who seeks a contract with the Community Development Commission shall be disqualified there from and denied the contract and, shall be liable in civil action, if any lobbyist, lobbying firm, lobbyist employer or any other person or entity acting on behalf of the above named firm fails to comply with the provisions of the County Code.

K. Compliance with Laws

1. CONTRACTOR shall ensure that its employees and its subcontractors, if any, comply with all applicable CITY, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Work and shall comply with any directions of governmental agencies and CITY relating to safety, security, and the like.

2. CONTRACTOR agrees to comply with, among other things, the following federal laws:

a. Equal Opportunity

Executive Order 11246 requires that during the performance of this Contract, the contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, sex, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, or national origin. Such action shall include, but not limited to, the following: employment upgrading, demotion or transfer: recruitment or recruitment advertising: layoff or termination: rates of pay or other forms of compensation: and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contractor setting forth the provisions of this nondiscrimination clause.

b. Title VI of the Civil Rights Act of 1964

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, creed, religion, sex or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

c. Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the grounds of race, color, creed, religion, sex or national origin be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

d. Age Discrimination Act of 1975, as Amended

No person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving federal funding assistance.

e. Section 504 of the Rehabilitation Act of 1973, as Amended

No otherwise qualified individual shall, solely by reason of his or her disability, be excluded from participation (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving Federal funds.

f. Public Law 101-336, Americans with Disabilities Act of 1990

Subject to the provisions of this title, no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.

g. Section 3 of the Housing and Community Development Act of 1968
Compliance in the Provision of Training, Employment, and Business
Opportunities ("Section 3")

(1) The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower-income residents of the project area; and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part, by persons residing in the area of the project.

(2) The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR 135, and all applicable rules and orders of HUD and LACDC issued thereunder prior to the execution of this contract. The parties to this

contract certify and agree that they are under no contractual or other disability that would prevent them from complying with these provisions.

- (3) CONTRACTOR will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- (4) CONTRACTOR will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant, or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR Part 135. CONTRACTOR will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract, unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- (5) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of HUD and LACDC issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant, or recipient, its contractors and subcontractors, its successors and assigned to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

L. Insurance

CONTRACTOR shall maintain insurance required by Section 13 of the General Conditions (Exhibit 2) and provide evidence thereof to CITY prior to commencing construction.

M. Indemnification

CONTRACTOR shall indemnify and hold HOMEOWNER and CITY, and its respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses they hereafter may suffer in connection with any claim, action, or right or action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by CONTRACTOR's employees, its subcontractors or its agents in the performance of the Work hereunder. CONTRACTOR shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by HOMEOWNER or CITY, or their respective

officials, officers, employees or agents. Upon demand, CONTRACTOR shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

N. Attorney's Fees and Costs

In the event arbitration or a judicial proceeding is initiated to enforce the terms of this agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

O. Governing Law

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any litigation commenced by either party to this agreement shall be brought in Los Angeles County, California.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this agreement as of the Effective Date.

Contractor Signature

A-Custom Construction Co.
Contractor Name

5767 Bartmus Street
Contractor Address

Commerce, CA 90040
City, State, Zip Code

(562) 997-5088
Contractor's Telephone Number

State License No.
Business License No.
Federal Income Tax I.D. No.

CITY OF COMMERCE

Oralia Y. Rebollo
Mayor

Attest:

Lena Shumway
City Clerk

Approved as to form:

Noel Tapia
City Attorney