



City of Santa Barbara
Community Development Housing and Human Services

Memorandum

DATE: April 27, 2017
TO: Housing and Planning Consultants
FROM: David Rowell, Housing Project Planner
SUBJECT: Request for Proposals – Nexus Study & Economic Feasibility Study

The City of Santa Barbara invites your firm to submit a proposal for professional consultant services to develop a Nexus Study & Economic Feasibility Study analyzing the impact that development under the City's Average Unit-Size Incentive Program has on the need for affordable housing in Santa Barbara. Should you decide to prepare a proposal, please submit 1 signed original; 1 complete copy of a proposal and 1 electronic (PDF) version no later than 4:30 p.m. May 24, 2017.

The proposal should highlight your firm's experience in conducting nexus and economic feasibility studies. The successful candidate must be prepared to meet or exceed the requirements of this activity with respect to program administration and deliverables, and community outreach and stakeholder involvement, etc. The proposed project schedule should reflect the proposed timeframe and allow for flexibility.

Attached are the RFP and attachments for the project, a draft City of Santa Barbara Professional Services Agreement (Contract), and the insurance requirements required per that agreement.

Please feel free to contact me if you have any questions or comments.

David Rowell, Housing Project Planner (City Contact)
City of Santa Barbara Community Development
Administration, Housing and Human Services
630 Garden Street
Santa Barbara, CA 93101
drowell@santabarbaraca.gov
www.santabarbaraca.gov
805-564-5461 x 4578

Attachment: Request for Proposals

REQUEST FOR PROPOSALS (RFP)

Development and Submittal of Nexus Study and Economic Feasibility Study

1. Introduction

- 1.1 The City of Santa Barbara (“City”) is seeking a qualified firm to conduct a **nexus study** analyzing the impact that development has on the need for affordable housing in Santa Barbara and to recommend defensible impact fee structures or inclusionary rental housing¹ to support the City's Average Unit-Size Density Incentive program (AUD). The study should be consistent with the requirements of the Mitigation Fee Act and current California state law. Prospective consultants are advised to read all information in the Request for Proposals (RFP) carefully prior to submitting a proposal.
- 1.2 The City of Santa Barbara is seeking a qualified firm to conduct **an economic feasibility study** to analyze development scenarios in the City’s AUD program. This analysis includes the valuation of various AUD incentives and the relationship to a project’s rate of return. The study should make recommendations that do not significantly constrain development in the current market.
- 1.3 The selected consultant will be required to produce, complete or coordinate all scope of services and deliverables identified in this RFP. Consultants responding to this RFP shall review each service/deliverable to determine if the firm/individual has the capacity, knowledge and/or experience to complete each item.
- 1.4 **DISCLAIMER:** This request for an RFP is not an offer but an invitation to submit proposals. Further, the City makes no representations that any agreement will be awarded to any company submitting a proposal. The successful consultant will be required to enter into a Professional Services Agreement (Attachment C) which will include the requirements of this RFP as well as other requirements. By submitting a proposal, the consultant agrees to all the terms in this RFP.

2. Background

- 2.1 Santa Barbara is situated along the South Coast area of Santa Barbara County and is geographically isolated from the rest of Santa Barbara County by having the Pacific Ocean to the south and the Santa Ynez mountain range to the north. The City occupies an area of 21 square miles and has a population of 88,410 as of the 2010 Census.
- 2.2 On July 30, 2013, the City Council approved the Average Unit-size Density (AUD) Incentive Program Ordinance. The AUD Incentive Program Ordinance carries out a key implementation action of the City’s 2015-2023 General Plan. The intent of the Program was to support the construction of smaller, more affordable residential units near transit and within easy walking and biking distance to commercial services and parks. Increased

¹ It is understood that mandating “inclusionary rental housing” is currently subject to the 2009 California Appellate Court ruling in “Palmer/Sixth Street Properties, LP v. City of Los Angeles” (“Palmer”) however; the City of Santa Barbara is requesting that these studies include inclusionary rental housing analysis and recommendations.

densities and development standard incentives are allowed in most multi-family and commercial zones of the City to promote additional housing. Rental, employer-sponsored, and limited equity housing cooperative units that provide housing opportunities to the City's workforce are especially encouraged.

2.3 The City of Santa Barbara is reviewing its AUD Incentive Program the details of which can be reviewed at http://www.santabarbaraca.gov/services/planning/mpe/aud_program.asp and a Housing Task Force <http://www.SantaBarbaraCA.gov/HousingTaskForce> was established on December 13, 2016 to evaluate certain aspects of the Average Unit-Size Density (AUD) Incentive Program, consider potential ordinance amendments, and provide recommendations to City Council. Details of the scope of services and deliverables are attached hereto as Attachment B.

2.4 **Nexus Study:** The City wishes to retain the services of an independent housing/planning consultant, with knowledge of best practices used by public agencies, to conduct a nexus study that examines the impact that residential housing development under its AUD Incentive Program has on the City's need for affordable housing. To present fee structures and proposed inclusionary percentages to the Housing Task Force and/or City Council for their consideration. The nexus study report should examine any recommended changes to the City's AUD Incentive Program related to affordable housing; should show how the potential fees and/or inclusionary rental units may impact the feasibility of housing development; and should provide the necessary quantitative support for such fees and/or inclusionary rental units subject to all of the provisions of the Mitigation Fee Act.

2.5 **Economic Feasibility Study:** The economic feasibility study will analyze development scenarios in the City's AUD program. The analysis will include valuation of AUD base densities and incentives; determine the amount of proposed housing impact fees; inclusionary percentages and how such modifications and potential AUD ordinance amendments could impact the market rate project's cost burden and rate of return.

2.6 **Additional Services:** In addition to the studies described above, consultant services will include, customized policy recommendations, consultation with staff, participation in Council or Housing Task Force meetings, Advisory Groups and Stakeholder meetings and other adoption process support.

3. **Guidelines and Format to Reference when Responding to this RFP**

The following guidelines are provided for standardizing the preparation and submission of proposals. The intent is to assist consultants in the preparation of their submissions and to assist the City by providing standards for comparison of submissions.

3.1 Proposals submitted in response to this RFP shall include a complete response to the requirements in this RFP in the order presented in Section 4 below. Proposals should include the respondent's capability to satisfy the intent and requirements of this RFP.

3.2 Consultants must submit one signed original, one copy and one digital (PDF) copy of the proposal to the City by 4:30 p.m. PST on May 24, 2017. Electronic submissions will not

be accepted.

4. Submittal Format

Proposals shall contain the following information:

a) **Introductory Letter**

The letter should state the respondent's name, mailing address, email address, telephone number, and contact name. The letter shall address the respondent's understanding of the project based on this RFP and any other information the respondent has gathered. The letter should include a statement discussing the respondent's interest, qualifications for, and past experience performing this work. A principal of the firm authorized to legally bind the firm shall sign the letter.

b) **Qualifications**

Describe the respondent's capacity of actually performing through successful completion the scope of work and deliverables described in this RFP. (See Attachment B) The proposal shall address the following:

- i) **Organizational narrative.** Provide a narrative documenting the capacity of the respondent's team to conduct the requested work and to provide the related information and services, including best practices recommendations as outlined in this RFP. Clearly describe the qualifications of the project team, including experience on similar projects, any expert knowledge in the field of affordable housing, planning incentives and knowledge of nexus and economic feasibility studies.
- ii) **Firm experience.** The proposal shall include a summary of the Firm's experience in completing comprehensive defensible nexus and economic feasibility studies in California assessing impacts of housing projects that met the goals of your clients and shall include the client name and location. Include at least three examples of relevant projects completed within the last 2-3 years. Describe any major challenges faced and solutions developed to address them.
- iii) **Team member experience.** Provide the title position, qualifications, and experience pertinent to this engagement of each member of the project team. Indicate each team member's responsibility for project tasks. Identify the lead person who will be the primary liaison with the City.
- iv) **References.** Provide at least three references for similar projects, including the project information and contact information (name, title, phone, email address). Include resumes of professional

personnel who will be working on this project.

- v) **Example of work.** Provide electronic access to a completed study that best exemplifies a previous work product most similar to that contemplated by the City of Santa Barbara.

5. **Budget/Pricing**

- a) The City has budgeted an amount not to exceed \$100,000 for the following:
- Nexus Study
 - Economic Feasibility Study
 - Additional Services
- b) Provide the total fixed-price for completing the above, with specific line items called out. Only one total cost should be presented which will ultimately provide the basis for comparison of all quotes received.
- c) Please provide an estimate of the total costs attributable to the completion of all items listed in the Scope of Services and Deliverables per Attachment B. Costs should be outlined by appropriate categories and summed for presentation of a total quote for consultation services performed. The total proposed cost of services should include any reimbursements and other charges.
- d) Consultant should include a sample billing invoice and a sample statement (detailing budget status by line item and related work completed) that would be submitted monthly to the City.

6. **Selection Process**

Proposal Review Team -A review panel will make the final decision regarding the selection of a consultant based upon an evaluation of each submitted proposal. The City reserves the right to negotiate project deliverables and associated costs.

Evaluation Criteria. Proposals will be evaluated on the following factors:

- Understanding of the Scope of Services and Deliverables
- Consultant experience
- Overall clarity of the Proposal
- The Project approach/methodology
- Project budget
- Ability to perform in accordance with Timeline below

7. RFP Timeline

The approximate schedule for consultant selection (dates are subject to change):

Issuance of RFP	April 27, 2017
Deadline for proposal submissions	May 24, 2017
Selection of consultant	May 30, 2017
Council Action	July 11, 2017
Contract Execution	July 13, 2017
Performance of Work (Stakeholder participation)	July 13 – October 31, 2017
Administrative Draft	September 29, 2017
Final Draft	October 31, 2017

8. City Of Santa Barbara Responsibilities

The consultant should prepare the RFP with the assumption that it will have primary responsibilities for activities stated in the Scope of Services and Deliverables (Attachment B). City staff will assist in identifying local resources, provide contact information, and arrange meetings with stakeholders. Stakeholders may include, but are not limited to the following:

- | | |
|-------------------------------|-------------------------------|
| City Council | Planning Commission |
| Historic Landmarks Commission | Architectural Board of Review |
| Housing Task Force | City Staff |
| Developers | Architects |
| Multifamily Lenders | Real Estate Agents |
| Real Estate Appraisers | Advocacy Groups |

City staff will be available on a limited and negotiated basis to coordinate activities with the consultant. At a minimum, City staff will be available for monthly meetings or conference calls with the consultant to review progress, discuss policy issues and coordinate activities.

9. Proposal Submittal

Please submit 1 original and 1 copy along with 1 digital (PDF) of the proposal no later than May 24, 2017 by 4:30 p.m. PST to:

City of Santa Barbara
Community Development Department – Housing
P.O. Box 1990
Santa Barbara, CA 93102
ATTN: David Rowell, Housing Project Planner

Or delivery by hand, or courier, or next-day delivery to:

City of Santa Barbara
Community Development Department - Housing
630 Garden St.

Santa Barbara, CA 93101

All submittals received will be date and time stamped. Proposals received after the due date/time will not be considered regardless of postmark.

Attachments:

- A. Certificate Of Compliance Workers' Compensation Insurance
- B. Scope Of Services And Deliverables – Nexus and Economic Feasibility Studies
- C. City Of Santa Barbara Draft Professional Services Agreement
- D. City Of Santa Barbara Insurance Requirements

GENERAL REQUIREMENTS AND CONDITIONS:

This procurement will be conducted in accordance with the City of Santa Barbara procurement codes and procedures.

A copy of the City's current standard Professional Services Agreement and related insurance requirements are attached as Attachments C & D. The selected consultant will be required to comply with the stated indemnification provision and all applicable insurance requirements. A current City of Santa Barbara business license is also be required prior to the execution of the Professional Services Agreement:

http://www.santabarbaraca.gov/business/license/tax_application/default.asp

Acceptance of Conditions Governing the Procurement

Consultants must indicate their acceptance of the conditions governing the procurement in the letter of transmittal. Submission of a proposal constitutes acceptance of the requirements and conditions contained in this RFP and Attachments A – D attached hereto and by this reference made a part hereof.

Incurring Cost

The City shall not be liable for any costs incurred in response to this request for proposals. All costs shall be borne by the consultant or organization responding to the request.

The consultant or organization responding to this RFP shall hold the City harmless from any and all liability, claim or expense whatsoever incurred by or on behalf of the consultant or organization. All submitted material becomes the property of the City of Santa Barbara.

Prime Consultant Responsibility

Any contract that may result from the RFP shall specify that the prime consultant is solely responsible for fulfillment of the contract with the City. The City will make contract payments only to the prime consultant.

Sub-consultants

Use of sub-consultants must be clearly explained in the proposal, and major sub-consultants must be

identified by name. The prime consultant shall be wholly responsible for the entire performance whether or not sub-consultants are used.

Amended Proposals

A consultant may submit an amended proposal before the submittal due date. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such in the transmittal letter. City personnel will not merge, collate, or assemble proposal materials.

City's Right to Withdraw RFP

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the City determines such action to be in the best interest of the City of Santa Barbara. Further, the City makes no representations that any agreement will be awarded to any organization submitting a proposal. The City reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto.

The City also reserves the right to reject any sub-consultant or individual working on a consultant team and to replace the sub-consultant or individual with a mutually-acceptable replacement. Any changes to the proposal requirements will be made by written addendum.

Consultant's Rights to Withdraw Proposal

Consultants will be allowed to withdraw their proposals at any time prior to the submission deadline. The consultant must submit a written withdrawal request signed by the consultant's duly authorized representative addressed to the City's Contact.

Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm for thirty (30) days after the due date for receipt of proposals or fifteen (15) days after receipt of a best and final offer if one is requested.

Best and Final Offer

The City reserves the right to request Best and Final Offers from any or all consultants. This will be the only opportunity to amend or modify proposals based on feedback from the City. Information from competing proposals will not be disclosed.

Living Wage Requirement

Any service contract issued as a result of this request for bids or quotes is subject to the [City's Living Wage Ordinance No. 5384, SBMC 9.128](#) and its implementing regulations.

Disclosure of Proposal Contents

The proposals will be kept confidential until an awarded recommendation is made to City Council. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. By submitting a proposal, consultant accepts that the City of Santa Barbara may need to disclose all or part of your proposal and any subsequent Contract, or parts thereof, in response to requests under the California Public Records Act.

Any portion of the proposal that consultant considers to be confidential or proprietary information, or

contains trade secrets of consultant, must be clearly marked confidential. This marking must be explicit as to the designation of the information and does not guarantee the non-release of the information under the California Public Records Act, or as otherwise required by law. The purpose is to provide the City of Santa Barbara with the means to review issues thoroughly and, if justified, request an opinion of the City of Santa Barbara's Attorney's Office.

No Obligation

The procurement in no manner obligates the City to the eventual rental, lease, purchase, etc., of any equipment, software, or services offered until a valid written contract is awarded and approved by appropriate authorities.

Errors and Restrictive Specifications

If a consultant discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the consultant should immediately notify the City's Contact at (805) 564-5461 x 4578. Without disclosing the source of the request, the City may issue a written addendum to clarify the ambiguity, or to correct the problem, omission, or other error.

If prior to the submission date, an consultant knows of or should have known of an error in the RFP but fails to notify the City's Contact of the error, the consultant shall submit their bid at their own risk and if awarded a contract, shall not be entitled to additional compensation or time by reason of error or its later correction.

A consultant who believes that one or more of the RFP's requirements is onerous or unfair, or unnecessary, precludes less costly or alternative solutions, may submit a written request that the RFP be changed. The request must include recommended language and the reason for proposing the change. **The City's Contact must receive any requests in writing no later than 5 working days before the submission deadline.**

Legal Review

The City requires that all consultants agree to be bound by the General Requirements and Conditions contained in this RFP. Any consultant concerns must be promptly brought to the attention of the City.

Governing Law

This procurement and any Contract with consultants that may result shall be governed by the laws of the State of California.

Oral Changes and Basis for Proposal

Do not rely upon oral explanations. Changes and addenda will be issued in writing. Only information supplied by the City in writing through the City's Contact, or in this RFP should be used as the basis for the preparation of proposals.

Contract Award

A Professional Services Agreement (Contract) shall be awarded (subject to approval by City Council) to the consultant whose proposal is most advantageous, taking into consideration the evaluation factors set forth in Section 6 of this RFP and Attachments. The most advantageous proposal may or may not be the lowest cost proposal.

Standard Agreement

It will be assumed that the selected Consultant is willing and able to enter into a Contract, which will not be executed by the City without the Contract first being signed by the Consultant. The Consultant will be responsible for adhering to, and complying with, requirements of the Contract.

Contract Terms and Conditions

The contract between the City and a consultant will follow the format specified by the City and contain the general requirements and conditions set forth in this RFP. However, **the City reserves the right to negotiate with a successful consultant the final provisions or provisions in addition to those contained in this RFP.** The contents of this RFP, as revised and/or supplemented, and the successful consultant's proposal will be incorporated into and become part of the contract.

Should a consultant object to any of the City's terms and conditions, as contained in this Section, that consultant must propose specific alternative language. The City may or may not accept the alternative language. General references to the consultant's terms and conditions or attempts at complete substitutions are not acceptable to the City and will result in disqualification of the consultant's proposal.

Consultants must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

Consultant's Terms and Conditions

Consultants must submit with the proposal a complete set of any additional terms and conditions that they expect to have included in a contract negotiated with the City.

Contract Deviations

Any additional terms and conditions that may be the subject of negotiation will be discussed only between the City and the selected consultant and shall not be deemed an opportunity to amend the consultant's proposal.

Consultant Qualifications

The City may make such investigations as necessary to determine the ability of the consultant to adhere to the requirements specified within this RFP. The City will reject the proposal of any consultant who is not a responsible consultant or fails to submit a responsive offer.

Permits and Licenses

Consultant, and all of Consultant's sub-consultants, at its and/or their sole expense, shall obtain and maintain during the term of any agreement, all appropriate permits, certificates and licenses, including but not limited to, a City Business License <http://www.santabarbaraca.gov/business/license/> and Insurance as described in Attachment D in connection with the performance of services hereunder.

Right to Waive Minor Irregularities

The City reserves the right to waive minor irregularities and the right to waive mandatory requirements provided that all of the otherwise responsive proposals fail to meet the same mandatory requirements and/or doing so does not otherwise materially affect the procurement. This right is at the sole discretion of the City.

Change in Consultant Representatives

The City reserves the right to require a change in consultant's representatives if the assigned representatives are not, in the opinion of the City, meeting its needs adequately.

City Rights

The City reserves the right to accept all or a portion of a consultant's proposal including the right to purchase software or services from approved price agreements.

Right to Publish

Throughout the duration of this procurement process and contract term, potential consultants, consultants, and contractors must secure from the City written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement or the subsequent contract. Failure to adhere to this requirement may result in disqualification of the consultant's proposal or termination of the contract.

Ownership of Proposals

All documents submitted in response to the RFP shall be available to be picked up by unsuccessful consultants except that one complete copy of the unsuccessful consultant's proposal including the Best and Final Offer, if one was submitted, shall be placed into the procurement file. Those documents will become the property of the City of Santa Barbara.

Protest Deadline

All parties wishing to file a protest shall comply with the procedures set forth below.

A protest relative to a particular RFP must be submitted in writing and addressed to the City Contact and be received by the City by 5 p.m. of the 5th business day following notification to a consultant of a recommendation to award the contract to another firm. The protest shall contain a full and complete statement specifying in detail the grounds of the protest and the facts in support thereof. The protest shall be hand delivered or sent via certified mail.

- a) The protest document must contain a complete statement of the factual and legal basis of the protest.
- b) The protest document must refer to the specific portion of the RFP document that forms the basis of the protest.
- c) The protest must include the name, address, and telephone number of the person representing the protesting party.
- d) The City Council of the City of Santa Barbara will issue a decision on the protest.
- e) If the Council determines the protest is frivolous, the party originating the protest may be determined to be irresponsible and may be ineligible for future Purchase Orders/contracts.
- f) The procedure and time limits set forth herein are mandatory and are the bidder's sole and exclusive remedy in the event of a protest. Failure by a party originating the protest to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Claim or legal proceeding.

Protests received after the protest deadline will not be accepted.

Records and Audits

The consultant shall maintain such detailed records as may be necessary to demonstrate its performance of the duties required by this RFP, including the date, time and nature of services rendered. These records shall be maintained for a period of five years from the date of the final payment under the services Agreement and shall be subject to inspection by City.

NOTES:

A PDF copy of this RFP can be found on the City of Santa Barbara website at:
www.SantaBarbaraca.gov

Attachment A
CERTIFICATE OF COMPLIANCE WORKERS' COMPENSATION INSURANCE

The (Bidder/Contractor) shall execute the following certificate which shall be signed by both (Bidder/Contractor) and attested to by his/her insurance agent/broker/company:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I am in compliance with such provisions of that code, and I am able to provide evidence of such compliance before commencing the performance of the work of this contract.

(Bidder/Contractor)

By: _____

Title: _____

Date: _____

ATTEST:

Agent/Broker

By: _____

Title: _____

Date: _____

Attachment B

SCOPE OF SERVICES AND DELIVERABLES

The scope of services, as well as the deliverables below, are examples of what the consultant will need to produce. The items below may not reflect the final scope/deliverables. These will be completed when the City and the consultant enter into a professional services agreement.

Scope of Services

- A. Review the City's current policies and ordinances and all relevant documents related to affordable housing and the AUD Incentive Program.
- B. Identify all available data sources that are needed to fully support the nexus and economic feasibility studies, which could include current economic conditions such as affordable housing and employment in Santa Barbara. Data should be specific to Santa Barbara, when possible.
- C. The Nexus and Economic Feasibility Studies shall address the following:
 - 1) Determine the quantitative relationship between an increase in AUD housing and the resulting increased need for affordable housing. The consultant may suggest additional factors that the City should consider for establishing the fees or inclusionary housing to ensure reasonableness, consistency and feasibility.
 - 2) Evaluate whether fees or inclusionary housing requirements that are lower than the maximum supportable would encourage development while not significantly negatively impacting the City's ability to meet the housing needs of its low and moderate-income households.
 - 3) Determine the appropriate level of a Housing Impact Fee.
 - Provide recommendations regarding an impact fee structure (i.e., square footage basis, by product types, or other methodologies, and scheduled increases), and requirements for an inclusionary rental housing program. The analysis shall consider current and projected construction costs, local and state fees, market value, and a reasonable profit or return on investment for the developer.
 - 4) Determine the value of various AUD incentives such as:
 - Parking
 - Building stories
 - Setbacks
 - Outdoor living space
 - Stream-lined review
 - Stream-lined approval processing
 - 5) Determine the cost to a developer of restricting the rents of various sized units in AUD to:
 - Low-Income Households (80% and below of Area Median Income)
 - Moderate-Income Households (80% to 120% of Area Median Income)

- 6) Evaluate the rate of return for the following prototypes and projects:
 - Multifamily Rental in Priority Housing Overlay
 - Multifamily Rental in High Density
 - Multifamily Rental in Medium-High Density
 - Existing AUD Projects
 - Condominium Project located within AUD

- 7) Include reports that analyze various development scenarios, itemize the value of incentives and recommends a housing impact fee or inclusionary percentage and other program modifications that do not substantially constrain new developments in the current market.

- 8) Demonstrate how the studies comply with AB 1600 (California Government Code Sections 66000 to 66025) regarding the impact on the potential fee or inclusionary requirement and the use of the fee revenue. As applicable, demonstrate the nexus study's compliance with AB 1600 requirements as follows:
 - i. Purpose of fee
 - ii. Use of fee
 - iii. Reasonable relationship between the fee's use and the type of development
 - iv. Reasonable relationship between the need for affordable housing and the type of development
 - v. Reasonable relationship between the amount of the fee and the cost of inclusionary housing.

- 9) Based upon the above analysis and consultant's knowledge of other California jurisdiction's implementation of topics covered in this RFP, make recommendations for any necessary modifications to:
 - City's 2015-2023 General Plan and Housing Element
 - Average Unit-Size Density Incentive Program Ordinance
 - Affordable Housing Policies and Procedures Manual

Deliverables

A. Meetings/Presentations

- 1) The consultant shall present information at briefing meetings at critical points in the preparation process.
- 2) The consultant shall conduct presentations and/or facilitate meetings itemized below, including display materials and handouts in PowerPoint, Excel and/or Word, and provide copies of necessary documents. We anticipate the following meetings.
 - a. Project kick-off. Immediately after contract award meet with the City to finalize a scope of work, project schedule and execute contract. (July 13, 2017)

- b. Initial communications with stakeholders. Consultant will communicate with stakeholders to obtain their input in the early stages of analysis.
- c. Project status meetings. The City anticipates 2-3 project status meetings, which may be conducted by conference call if more convenient for both parties.
- d. Public Outreach. Two stakeholder meetings.
- e. Housing Task Force and/or City Council meeting. One meeting is expected, with the consultant presenting conclusions and answering questions related to the nexus and economic feasibility studies.
- f. Additional meetings. Additional meetings may be proposed by the City and/or consultant as needed.

B. Produce Administrative Draft on or before September 29, 2017

C. Produce Final Nexus and Economic Feasibility Studies per Scope of Services on or before October 31, 2017. The Studies shall:

1. Be concise, accessible, and legally defensible.
2. Include one unbound color copy.
3. Include one electronic copy in Microsoft Word and PDF formats.
4. Include an executive summary summarizing key research points and the primary recommendations.
5. Include a summary of the nexus methodology used and its applicability to Santa Barbara and any legal issues related to housing impact fees or a rental inclusionary requirement.

DRAFT

SANTA BARBARA CITY AGREEMENT NO. _____

With

Name of Consultant/Firm

for Nexus Study & Economic Feasibility Study

This Contract is entered into on _____ by and between:

The City of Santa Barbara, a **Municipal Corporation**, referred to herein as
“City”

and

Name of Consultant/Firm, a **California Corporation**, referred to herein as
“Contractor,”

WITNESSETH:

WHEREAS, Contractor has the special background, training and experience required by City, and in consideration of the mutual covenants, conditions, promises and agreements, herein, the City and Contractor AGREE:

1. SCOPE OF CONTRACTOR SERVICES

a. Contractor agrees to develop a Nexus Study & Economic Feasibility Study analyzing the impact that development under the City's Average Unit-Size Incentive Program has on the need for affordable housing in Santa Barbara, as described in more detail in the attached scope of services and deliverables (Exhibit A) dated July xx, 2017.

b. The City has been advised and enters into this Contract understanding that Name of Project Manager for Consultant has been designated the project manager for Nexus Study & Economic Feasibility Study and that the Project Manager will have direct responsibility for interacting with City staff and delivering Contractor's services to the City under this Contract. Contractor shall not substitute nor otherwise allow any other person to serve in place of the Project Manager without the written consent of the Community Development Director, who shall have sole discretion as to whether the proposed substitution is acceptable. Should Contractor substitute or allow any unauthorized person to serve as project manager, Contractor shall have no right to any monies for services provided by that unauthorized person and City shall also have the right to immediately terminate this Contract.

2. COMPENSATION

a. The total compensation for all services provided pursuant to this Contract, including all extra services and reimbursable expenses as defined in Section 3 hereof, shall not exceed the sum of \$XXXXXXX without the express written approval of City Council of the City of Santa Barbara. The basic contract is for \$XXXXXXX and the total that may be claimed for Extra Services under Section 3 of this Contract shall not exceed \$XXXXXXX. This Contract provides the exclusive means of payment and reimbursement for costs to Contractor by the City.

b. Changes in personnel or in rates of compensation set forth in Exhibit A may be made only after written notice to and written approval by the Community Development Director, (“Department Head”).

c. Where travel costs are included in Exhibit A, only the actual travel costs (at fare, rate per mile or lump sum approved), and/or actual expenses pursuant to the provisions of the Contract and within guidelines approved by the City Finance Director will be reimbursed.

d. Contractor may be reimbursed for such other necessary costs, including actual costs of copies, printing, postage, shipping and documents expense, and all costs of other materials, equipment, services and supplies, as approved and required to complete the work, according to the attached Exhibit A.

e. Compensation for Extra Services of Contractor authorized in accordance with Section 2 shall be paid to Contractor by City in accordance with the fee schedule set forth in Exhibit A. Contractor shall only be entitled to payment for Extra Services under this Contract if Contractor has obtained authorization required under Section 3 below.

f. Contractor shall submit itemized statements, which shall include a detailing of the number of hours spent on each task and copies of all subcontractors' invoices, to request payment in accordance with the standard billing format issued by the City Department. Contractor shall keep records concerning payment items on a generally recognized accounting basis and such records shall be maintained for a period of 3 years following the completion of the work assigned. Such records shall be made available for copying, inspection or audit by City employees or independent agents during reasonable business hours.

3. EXTRA SERVICES OF CONTRACTOR

Prior to performing any services other than those described in Exhibit A ("Extra Services"), Contractor shall submit a written request for Extra Services and obtain the written approval of the Department Head or his/her designee. The request for Extra Services shall at minimum include a description of the services to be performed, the reason why the Extra Services are needed or required, a schedule for completion of the proposed Extra Services, and a not-to-exceed amount for performance of the proposed Extra Services. Each approved Extra Services request shall be billed separately.

4. TIME OF BEGINNING AND COMPLETION

Services shall begin upon full execution of this Contract by the City, and delivery of a fully executed

copy of the Contract to the Contractor. Contractor shall adhere to schedules and deadlines agreed to by City and Contractor shown in Exhibit A. Contractor's failure to complete the above services within the time specified, due to avoidable delays, may at the City's discretion be considered a material breach of this Contract. Contractor shall review the remaining work and schedule of performance at least monthly and shall confirm that completion may be expected within the schedule approved, or in the alternative, give immediate notice when it shall first appear that the approved schedule will not be sufficient, together with an explanation for any projected delays in the schedule. No extension of time to complete any portion of the services called for in the Contract shall be allowed except upon the express, written approval of the Department Head or his/her designee. Contractor shall request, in writing, a time extension for approval by City, promptly upon the occurrence of any action causing delay in Contractor's prosecution of the services. The nature of the delay, the corrective actions taken and the impacts on the project schedule shall be described in each request for a time extension.

5. OWNERSHIP OF DOCUMENTS

All documents, computer programs, plans, renderings, charts, designs, drafts, surveys and other intellectual property which is originally developed by Contractor pursuant to this Contract shall become the property of City upon full and complete compensation to Contractor for services performed herein. Contractor will take such steps as are necessary to perfect or to protect the ownership interest of the City in such property. Contractor may retain copies of said documents for Contractor's file.

6. ASSIGNMENT OF CONTRACT

Contractor shall not assign, sublet or transfer any right, privilege or interest in this Contract, or any part thereof, without prior written consent of City. Contractor shall not substitute personnel designated in the proposal of Contractor without the written consent of City.

7. OFFICIAL NOTICES

Notices to either party shall be provided by personal delivery or by depositing them in the United States mail, first class postage prepaid, and addressed as identified at the signature page of this Contract. A party may change mailing address for all purposes under this Contract, by written notice.

8. DEFENSE, INDEMNITY AND HOLD HARMLESS

a. Contractor shall, to the extent permitted by law, investigate, defend, indemnify and hold harmless the City, its officers, employees and agents from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges and expenses (including reasonable attorney fees) and causes of action of whatsoever character which the City may incur, sustain or be subjected to on account of loss or damage to property or loss of use thereof, or for bodily injury to or death of any persons (including but not limited to property, employees, subcontractors, agents and invitees of each party hereto) arising out of or in any way connected with the work to be performed under this Agreement other than as such work relates to Professional Liability Insurance.

b. With respect to Professional Liability Insurance, Contractor shall investigate, defend, indemnify and hold harmless the City, its officers, agents and employees from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges and expenses (including reasonable attorney's fees) and causes of action of whatsoever character which City may incur, sustain or be subjected to on account of loss or damage to property or loss of use thereof, or for bodily injury to or death of any persons (including but not limited to property, employees, subcontractors, agents and invitees of each party hereto) arising out of or due to the acts, errors or omissions of Contractor.

9. INSURANCE REQUIREMENTS

As part of the consideration of this Agreement, Consultant agrees to purchase and maintain at its sole cost and expense during the life of this agreement insurance coverage against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- A. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations with limits of no less than Two Million Dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- B. Automobile Liability: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- C. Workers' Compensation: In accordance with the provisions of the California Labor Code, Consultant is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least \$1,000,000 shall cover all Consultant's staff while performing any work incidental to the performance of this agreement.
- D. Professional Liability: Professional Liability (Errors and Omission) Insurance appropriate to the Consultant’s profession, with limit no less than One Million Dollars (\$1,000,000) per occurrence or claim and Two Million Dollars (\$2,000,000) aggregate to cover all services rendered by the Consultant pursuant to this Agreement.

If the Consultant maintains higher coverage limits than the amounts shown above, then the City requires and shall be entitled to coverage for the higher coverage limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

OTHER INSURANCE PROVISIONS

Each insurance policy shall contain, or be endorsed to contain, the following five (5) provisions:

1) *Additional Insured Status*

The City of Santa Barbara, its officers, employees, and agents, shall be covered as additional insureds on the Commercial General Liability and the Automobile Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Consultant. Additional Insured coverage shall be provided in the form of an endorsement to the Consultant's insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85). A copy of the endorsement evidencing that the City of Santa Barbara has been added as an additional insured on the policy, must be attached to the certificate of insurance.

2) *Subcontractors*

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that the City is an additional insured on insurance required from subcontractors. For Commercial General Liability coverage subcontractors shall provide coverage with a format at least as broad as Insurance Services Office form CG 20 38 04 13.

3) *Notice of Cancellation*

A provision that coverage will not be cancelled or subject to reduction without written notice given to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.

4) *Primary Coverage*

For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

5) *Waiver of Subrogation*

Consultant hereby agrees to waive rights of subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.

ACCEPTABILITY OF INSURERS

All insurance coverage shall be placed with insurers that have a current rating from AM Best of no less than A: VII; and are admitted insurance companies in the State of California. All other insurers require

prior approval of the City.

CLAIMS MADE POLICIES

If the required Professional Liability (Errors and Omissions) policy provides coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

COVERAGE LIMITS SPECIFICATIONS

Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the Consultant may be held responsible for payment of damages resulting from Consultant's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

If, for any reason, Consultant fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the Consultant resulting from said breach. Alternately, City may purchase such required insurance coverage, and without further notice to Consultant, City may deduct from sums due to Consultant any premium costs advanced by City for such insurance.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Consultant shall cause the insurer to reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

EVIDENCE OF COVERAGE

Consultant must provide evidence that it has secured the required insurance coverage before execution of this agreement. A Certificate of Insurance supplied by the City or the appropriate ACORD and Insurance Services Office forms evidencing the above shall be completed by Consultant's insurer or its agent and submitted to the City prior to execution of this Agreement by the City.

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements

are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required b

10. TERMINATION

This Contract may be terminated with or without cause by either party at any time by giving the other no less than thirty (30) days notice in writing. In the event of such termination, Contractor shall deliver all programs, drawings, surveys, drafts, plans, work in progress and other documents related to the project to the City within five (5) days of the notice of termination. In the event of such termination, Contractor shall be compensated for such services as are performed and work product delivered to the City up to the point of termination.

11. RIGHT TO PERFORM SIMILAR SERVICES

Nothing in this Contract shall restrict the City from providing the same or similar services through City employees, other contractors, other resources, or by arrangements with other agencies. Contractor may engage in similar activities to the extent that such work does not conflict with the proper performance of services under this Contract.

12. CONFLICT OF INTERESTS

Contractor warrants by execution of this Contract that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for commission, percentage, brokerage or contingent fee, and that Contractor maintains no agreement, employment, or position which would be in conflict with the duties to be performed for City under this Contract. Contractor further agrees that during the term of this Contract, Contractor will not obtain, engage in, or undertake any interests, obligations or duty that would be in conflict with, or interfere with, the services or duties to be performed under the provisions of this Contract.

13. ADMINISTRATION OF EMPLOYMENT

Contractor shall obtain and administer the employment of personnel having the background, training, experience, licenses and registration necessary for the work assigned, including all coordination, the withholding of proper taxes and benefits, the payment of wages, employer's contributions for FICA, and Federal and State unemployment payments, and the review and maintenance of any necessary licenses, certificates, memberships and other qualifications necessary for the services to be provided. Contractor is an independent contractor and shall not be considered an agent or employee of the City for any purpose. Contractor and its employees and agents are not entitled to any of the benefits or privileges that the City provides its employees.

14. BUSINESS TAX CERTIFICATE

Prior to the execution of the Contract, Contractor shall obtain a business tax certificate

from the City at Contractor's expense. Contractor shall maintain a business tax certificate as required by the City Finance Director during the term of this Contract.

15. NO WAIVER OF PROVISIONS

No waiver of a breach of any provision of this Contract shall be construed to be a continuing waiver of that provision, nor a waiver of any breach of another provision of this Contract.

16. APPLICABLE LAWS, PARTIAL INVALIDITY

This Contract shall be subject to the Santa Barbara City Charter, and the laws, rules, regulations and ordinances in effect within the City of Santa Barbara, County of Santa Barbara, California, and any interpretation of the law that may be necessary shall be pursuant to the laws applicable within that jurisdiction. If any provision of this Contract is determined to be invalid, illegal or unenforceable for any reason, that provision shall be deleted from this Contract and such deletion shall in no way affect, impair, or invalidate any other provision of this Contract, unless it was material to the consideration for the performance required. If a provision is deleted which is not material to such consideration, the remaining provisions shall be given the force and effect originally intended.

17. NON-DISCRIMINATION ORDINANCE

Contractor shall perform all work pursuant to this Contract in compliance with Section 9.126.020 of the Santa Barbara Municipal Code (a copy of which is attached as Exhibit B), prohibiting unlawful discrimination in employment practices, and shall be bound by the terms of such ordinance.

18. CITY SERVICE CONTRACTOR MANDATORY MINIMUM WAGE

a. Chapter 9.128 of the Santa Barbara Municipal Code establishes a mandatory minimum wage for employees of contractors providing services to the City. In the performance of this Agreement, Contractor and any subcontractor, agent, or assignee of Contractor under this Agreement shall comply with the provisions of Chapter 9.128 of the Municipal Code as such Chapter existed upon the adoption of this Agreement or the last date this Agreement was amended.

b. Current Living Wage Certificates on forms supplied by the City shall be completed by Contractor, submitted to City prior to execution of this Contract by City, and attached as Exhibit C. Contractor shall require any and all subcontractors and all tiers of such subcontractors to provide Living Wage Certificates as required by Santa Barbara Municipal Code Chapter 9.128.

19. NONAPPROPRIATIONS OF FUNDS

Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by the City, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then City will notify Contractor of such occurrence and City may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, City shall have no obligation to make payments with regard to the remainder of the term.

IN WITNESS WHEREOF, the parties have executed this contract as of the date and year first written above.

CITY OF SANTA BARBARA

A Municipal Corporation

Name of Consultant/Firm

Community Development Director

Signature

ATTEST:

Type or Print Name

Sarah Gorman, City Clerk Services
Manager

Title

APPROVED AS TO CONTENT:

Address

Sue Gray
Community Development Business
Manager

City State Zip

Telephone Number

APPROVED AS TO FORM:

By _____

Sarah Knecht
Assistant City Attorney

Business Tax Compliance:

Certificate No. _____

By _____

Approved as to Insurance:

Mark Howard
Risk Manager

EXHIBIT A to Contract

(Including Scope of Services and Deliverables)

EXHIBIT B to Contract

Contractor's Nondiscriminatory Employment Certificate

CONTRACTOR'S NONDISCRIMINATORY EMPLOYMENT CERTIFICATE

Santa Barbara Municipal Code § 9.126.020

A. Certificate Generally

Consistent with a policy of nondiscrimination in employment on contracts of the City of Santa Barbara and in furtherance of the provisions of Section 1735 and 1777.6 of the California Labor Code a "contractor's obligation for nondiscriminatory employment certificate" as hereinafter set forth shall be attached and incorporated by reference as an indispensable and integral term of all bid specifications and contracts of the City for purchases, services, and the construction, repair, or improvement of public works.

B. Contents of Certificate

The Contractor's obligation for nondiscriminatory employment is as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. The Contractor will take positive action or ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. Such action shall include but not be 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 City setting forth the provisions of this nondiscrimination clause.
2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section

12900-12996), except where such discrimination is based on a bona fide occupational qualification.

3. The Contractor will send to each labor union or representative of workers, with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the City advising the said labor union or workers' representative of the Contractor's commitments under this provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The Contractor will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices Commission, or any other appropriate agency of the State designated by the City for the purposes of investigation to ascertain compliance with the Contractor's Obligation for Nondiscriminatory Employment provisions of this contract, or Fair Employment Practices statute.
5. A finding of willful violation of the nondiscriminatory employment practices article of this contract or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which the Contractor may submit bids, the Contractor is a "disqualified bidder" for being "nonresponsible".

The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429.

Upon receipt of any such written notice, the City shall notify the Contractor that unless he demonstrates to the satisfaction of the City within a stated period that the violation has been corrected, he shall be declared a "disqualified bidder" until such time as the Contractor can demonstrate that he has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

6. Upon receipt from any person of a complaint of alleged discrimination under any City contract, the City Administrator shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the City Administrator shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of this contract.

In addition to any other remedy or action provided by law or the terms of this contract, the Contractor agrees that, should the City Council determine after a public hearing duly noticed to the Contractor that the Contractor has not complied with the nondiscriminatory employment practices provisions of this contract or has willfully violated such provisions, the City may,

without liability of any kind, terminate, cancel, or suspend this contract, in whole or in part. In addition, upon such determination the Contractor shall, as a penalty to the City, forfeit a penalty of \$25.00 for each calendar day, or portion thereof, for each person who was denied employment as a result of such noncompliance. Such moneys shall be recovered from the Contractor. The City may deduct any such penalties from any moneys due the Contractor from the City.

7. The Contractor certifies to the City that he has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:
 - a. The Contractor shall notify all supervisors, foremen and other personnel officers in writing of the content of the nondiscrimination provision and their responsibilities under it.
 - b. The Contractor shall notify all sources of employee referrals (including unions, employment agencies, advertisements, Department of Employment) of the content of the nondiscrimination provision.
 - c. The Contractor shall file a basic compliance report as required by the City. Willfully false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the work force and who has the responsibility for determining whom to hire, or whether or not to hire.
 - d. The Contractor shall notify the City of opposition to the nondiscrimination provision by individuals, firms or organizations during the period of this contract.
8. Nothing contained in this Contractor's Obligation for Nondiscriminatory Employment Certificate shall be construed in any manner to prevent the City from pursuing any other remedies that may be available at law.
9. The Contractor certifies to the City that he will comply with the following requirements with regard to all subcontractors and suppliers:
 - a. In the performance of the work under this contract, the Contractor will include the provisions of the foregoing paragraphs (1) through (8) in all subcontracts and in any supply contract to be performed within the State of California, so that such provisions will be equally binding upon each subcontractor and each supplier.
 - b. Contractor will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction by the City, the Contractor may request the City to enter into such litigation to protect the interests of the City.

EXHIBIT C to Contract

Contractor’s Living Wage Certificate

CITY OF SANTA BARBARA

Living Wage Compliance Statement

July 1, 2016 through June 30, 2017

TO BE COMPLETED BY ALL CONTRACTORS PROVIDING SERVICES TO THE CITY OF
SANTA BARBARA

Official notification to: _____
Name of Company

Mailing Address

City, State & Zip

Bid/PO/Contract Number: _____

The service contract that is pending between your company and the City of Santa Barbara is subject to the City of Santa Barbara Living Wage Ordinance, SBMC Chapter 9.128 (hereinafter referred to as “the Ordinance”). Fax the compliance statement to: the City of Santa Barbara Purchasing Division at (805) 897-1977.

Current living wage rates will apply to all subcontractors, subsequent contracts and contract renewals exercised during the remainder of the current fiscal year ending June 30, 2017.

The Ordinance requires that employees working for your firm on this contract be notified that the City of Santa Barbara Living Wage Ordinance applies to them. As part of compliance for this contract, you are required to notify affected employees that:

Effective from July 1, 2016, through June 30, 2017, the current rate for minimum compensation to employees is:

1. \$17.25 per hour if no qualifying benefits are provided.
2. \$14.78 per hour if Basic Medical Insurance is provided at no cost to the employee and Compensated Holidays.
3. \$13.55 per hour if in addition to the benefits in 2 above an approved Supplemental Employee Benefits as shown in Section 2.C below.

(All capitalized terms used herein are used as defined in the Ordinance, SBMC Chapter 9.128)

Note: the City may request any or all payrolls records, time cards, and other associated documentation to demonstrate compliance. Any such request will be made to your firm in writing and the records must be provided within fourteen calendar days. The City may also conduct on-site audits to verify compliance. These audits may include, but are not limited to, employee interviews.

Direct questions regarding this Ordinance to General Services Manager, City of Santa Barbara Finance Department, P.O. Box 1990, Santa Barbara, CA 93102.

1. THIS CONTRACT IS NOT SUBJECT TO THE LIVING WAGE ORDINANCE:

- Exemption for Handicapped Individuals and Apprentices. For the purposes of this form, an employee shall not include a “handicapped employee” employed pursuant to a special license issued under Sections 1191 and 1191.5 of the state Labor Code or an “apprentice” or “learner” employed pursuant to a special license issued under Section 1192 of the state Labor Code.
- Exemption for Student Interns. For the purposes of this form, an employee shall also not include a student intern which shall be defined as a person receiving educational or school credit at a duly licensed and accredited school or educational institution as part of or in connection with his or her employment or service with the City Service Contractor.
- Public Entity.
- Non-profit exemption.
- Workers are part of a bona fide collective bargaining agreement.
- Persons employed are defined as executive or professional as used in the federal Fair Labors Standards Act of 1938 (29 USC Section 201 et. seq.).
- Including this agreement, the amount awarded by the City to your firm through one or more agreements is less than eighteen thousand & four hundred & seventy-nine dollars (\$18,479) when calculated on a City fiscal year basis (July to June).
- Services are incidental. Explain:

** Complete the certification portion on page 3.*

2. THIS CONTRACT IS SUBJECT TO THE LIVING WAGE ORDINANCE:

- A. Employees receive a pay rate that meets or exceeds the City of Santa Barbara Living Wage requirement of \$17.25 per hour without benefits.

** Complete items #3, #4, & #5 on page 3 and sign the certification portion on page 4.*

B. Employees receive a pay rate that meets or exceeds the City of Santa Barbara Living Wage requirement of \$14.78 per hour with benefits the below benefits.

- i. A combined twelve days compensated leave time annually for full-time employees, and prorated leave for employees working less than full time
- ii. Basic Medical Insurance Coverage for the Employee at no cost.

** Complete items #3, #4, & #5 on page 3 and sign the certification portion on page 4.*

C. Employees receive a pay rate that meets or exceeds the City of Santa Barbara Living Wage City of Santa Barbara Living Wage requirement of \$13.55 per hour with all of the following benefits:

- i. A combined twelve days compensated leave time annually for full-time employees, and prorated leave for employees working less than full time
- ii. Basic Medical Insurance Coverage for the Employee at no cost.
- iii. Basic Medical Insurance Coverage for the Employee's spouse, domestic partner or family.
- iv. One additional Supplemental Benefit as defined in the Ordinance.

Pension or deferred compensation retirement plan.

Childcare or dependent care.

Equivalent of ten (10) eight hour days of compensated leave over and above the compensated leave in item 1.

Other: _____

** Complete items #3, #4, & #5 on page 3 and sign the certification portion on page 4.*

3. Will any subcontractors perform work on this contract? Yes No

If yes, please indicate company(s) on an additional page.

4. Will you post employee notification form in an area accessible to employees working on City of Santa Barbara contracts? Yes No

5. You may be required to provide certified payroll records, time cards, and other records any time during the contract period to demonstrate compliance. These payroll records must include the following information for each employee working on this contract: employee name, job classification, employer benefit contribution, and hourly pay under this contract.

Do you agree to provide this information within 14 calendar days when requested?

Yes No

The City may also perform on site payroll audits that may include, but are not limited to, employee interviews.

6. To qualify for a lower wage tier, you must offer insurance at no cost to your employees and match one of the following plans in terms of co-pays/out-of-pocket expenses.

- Blue Shield HMO: No deductible, \$150 co-pay for emergency room visits, no charge for preventative care, \$25 co-pay for office visits to Primary Care Physicians/\$35 co-pay to Specialists; Prescriptions: \$20 co-pay for generics; \$30 co-pay for brand, & \$45 co-pay for non-formulary
- Kaiser HMO: No deductible, \$50 co-pay for emergency room visits, no charge for preventative care, \$15 co-pay for office visits; Prescriptions: \$10 co-pay for generics; \$20 co-pay for brand, & non-formulary is not covered
- Blue Shield PPO: Deductibles: \$500/individual \$1,000/family, \$100 co-pay + 20% coinsurance for emergency room visits, no charge for preventative care, \$25 co-pay for office visits; Prescriptions: \$20 co-pay for generics; \$30 co-pay for brand, & \$45 for non-formulary
- Blue Shield Health Reimbursement PPO: Deductibles: \$2,000/individual \$4,000/family, 20% coinsurance for emergency room visits, no charge for preventative care, 20% coinsurance for office visits; Prescriptions: \$10 co-pay for generics; \$20 co-pay for brand, & \$35 for non-formulary
- Blue Shield Health Savings Account PPO: Deductibles: \$2,500/employee only coverage, \$5,000/family, 20% coinsurance for emergency room visits, no charge for preventative care, 20% coinsurance for office visits; Prescriptions: \$15 co-pay for generics; \$25 co-pay for brand, & \$40 for non-formulary after combined medical/RX plan deductible

The signatory below hereby certifies, under penalty of perjury, that the forgoing information is correct:

Contact Name	Phone number	Fax number
Email Address		
Name and Title (Please print)	Signature	
Date		

CITY OF SANTA BARBARA

Living Wage Benefits Statement

July 1, 2016 through June 30, 2017

TO BE COMPLETED WITHIN 45-DAYS AFTER COMPLETING SERVICES TO THE CITY OF SANTA BARBARA UNDER A PURCHASE ORDER OR CONTRACT

Official notification to: _____

Name of Company

Mailing Address

City, State & Zip

Bid/PO/Contract Number: _____

RATE PAID:

- \$17.25 per hour if no qualifying benefits are provided.**
- \$14.78 per hour if Basic Medical Insurance is provided at no cost to the employee and Compensated Holidays.**
- \$13.55 per hour if in addition to the benefits in 2 above an approved Supplemental Employee Benefits are provided such as family medical care, dental, etc.**
- Exempt**

1. Did the Living Wage requirements cause you to bid higher prices? Yes No

2. If yes, how much? \$ _____

3. How many employees worked under this PO? _____

4. How many were Full Time: _____ **Part Time:** _____

5. How many employees benefited from the Living Wage requirements: _____

6. What was the aggregate (total) amount the employees benefited: \$_____

7. Comments:

CERTIFICATE OF INSURANCE

This certifies to City of Santa Barbara, P.O. Box 1990, Santa Barbara, California, 93102-1990 that the following described policies have been issued to:

Insured: _____

Address: _____

Location of operations insured: _____

Description of work (show project name and/or contract number, if any): _____

Policies & Insurers	Limits		Policy Number	Expiration Date
	Bodily Injury	Property Damage		
General Liability <input type="checkbox"/> Comprehensive <input type="checkbox"/> Commercial _____ (Insurer)	Each Person	Each Occurrence		
	Each Occurrence	Aggregate		
	Combined Single Limit			
Automobile Liability <input type="checkbox"/> Owned <input type="checkbox"/> Hired <input type="checkbox"/> Non Owned _____ (Insurer)	Each Person	Each Accident		
	Each Occurrence			
	Combined Single Limit			
Professional Liability • Errors & Omissions • Malpractice (if applicable) • Negligent Performance _____ (Insurer)	Each Person	Each Accident		
	Each Occurrence	Aggregate		
	Combined Single Limit			
Workers' Compensation _____ (Insurer)	STATUTORY			
	Employer's Liability \$ _____			

The following coverage or conditions are in effect:

General Liability
Automobile Liability
Professional Liability

	Yes	No
1. City of Santa Barbara, its Officers, Employees, and Agents Named as Additional Insured; must attach a copy of the endorsement.		
2. Policies will not be Canceled, Limited, or Allowed to Expire without 30 Days Written Notice to the City Clerk at P.O. Box 1990, Santa Barbara, CA 93102-1990, or 10 days notice for non payment of premium.		
3. Coverage Afforded the City shall Apply as Primary and Not Excess to Any Insurance Issued in the Name of the City.		
4. Blanket or Scheduled Contractual Liability Sufficiently Broad to Cover Liability Assumed in Contract.		
5. Policy includes a Severability of Interest provision.		
6. Broad Form Property Damage Endorsement		
7. Products and Completed Operations		
8. X, C, U Hazards Included		
9. Longshoremen's and Harbor Worker's Act		
10. Liquor Liability		
11. Fire Legal Liability		
12. Other (Specify)		

Date: _____

(Authorized Signature)

(Print Name)

At: _____

(Company and Address)

NOTE: Authorized signature may be the agent if agent has placed insurance through an agency agreement with the insurer. If insurance is brokered, authorized signature must be that of official of insurer.

Attachment D to RFP

Insurance Requirements

As part of the consideration of this Agreement, Consultant agrees to purchase and maintain at its sole cost and expense during the life of this agreement insurance coverage against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- E. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations with limits of no less than Two Million Dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- F. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- G. **Workers' Compensation**: In accordance with the provisions of the California Labor Code, Consultant is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least \$1,000,000 shall cover all Consultant's staff while performing any work incidental to the performance of this agreement.
- H. **Professional Liability**: Professional Liability (Errors and Omission) Insurance appropriate to the Consultant's profession, with limit no less than One Million Dollars (\$1,000,000) per occurrence or claim and Two Million Dollars (\$2,000,000) aggregate to cover all services rendered by the Consultant pursuant to this Agreement.

If the Consultant maintains higher coverage limits than the amounts shown above, then the City requires and shall be entitled to coverage for the higher coverage limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

OTHER INSURANCE PROVISIONS

Each insurance policy shall contain, or be endorsed to contain, the following five (5) provisions:

6) *Additional Insured Status*

The City of Santa Barbara, its officers, employees, and agents, shall be covered as additional insureds on the Commercial General Liability and the Automobile Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Consultant. Additional Insured coverage shall be provided in the form of an endorsement to the Consultant's insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85). A copy of the endorsement evidencing that the

City of Santa Barbara has been added as an additional insured on the policy, must be attached to the certificate of insurance.

7) *Subcontractors*

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that the City is an additional insured on insurance required from subcontractors. For Commercial General Liability coverage subcontractors shall provide coverage with a format at least as broad as Insurance Services Office form CG 20 38 04 13.

8) *Notice of Cancellation*

A provision that coverage will not be cancelled or subject to reduction without written notice given to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.

9) *Primary Coverage*

For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

10) *Waiver of Subrogation*

Consultant hereby agrees to waive rights of subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.

ACCEPTABILITY OF INSURERS

All insurance coverage shall be placed with insurers that have a current rating from AM Best of no less than A: VII; and are admitted insurance companies in the State of California. All other insurers require prior approval of the City.

CLAIMS MADE POLICIES

If the required Professional Liability (Errors and Omissions) policy provides coverage on a claims-made basis:

4. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
5. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
6. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

COVERAGE LIMITS SPECIFICATIONS

Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the Consultant may be held responsible for payment of damages resulting from Consultant's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

If, for any reason, Consultant fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the Consultant resulting from said breach. Alternately, City may purchase such required insurance coverage, and without further notice to Consultant, City may deduct from sums due to Consultant any premium costs advanced by City for such insurance.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Consultant shall cause the insurer to reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

EVIDENCE OF COVERAGE

Consultant must provide evidence that it has secured the required insurance coverage before execution of this agreement. A Certificate of Insurance supplied by the City or the appropriate ACORD and Insurance Services Office forms evidencing the above shall be completed by Consultant's insurer or its agent and submitted to the City prior to execution of this Agreement by the City.

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications