

ORDINANCE NO. 176959

An ordinance adding Article 5 to Division 10 of the Los Angeles Administrative Code to establish a contracting preference for organizations who provide transitional jobs to the long-term unemployed in the execution of their work under a contract with the City of Los Angeles.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. A new Article 5 is added to Chapter 1 of Division 10 of the Los Angeles Administrative Code to read:

**CHAPTER 1, ARTICLE 5
TRANSITIONAL JOB OPPORTUNITIES PROGRAM**

Sec. 10.31. Purpose.

Each year the City spends millions of dollars contracting with the private sector to provide services to the public and to City government. The prudent expenditure of public dollars requires that the City's procurement process lead to the selection of qualified and responsible contractors who have the ability to perform the contract.

Many citizens of Los Angeles County have been out of the workforce for an extended period of time and face considerable barriers when trying to re-enter the mainstream workforce. For the majority of this hardest-to-employ population, these barriers can be overcome by placement in a "transitional job" through which they can develop the job and social skills necessary to compete and succeed in the mainstream work environment. Unfortunately, the demand for these first transitional job opportunities exceeds the supply.

Currently, most transitional jobs for the hardest-to-employ population are provided by business entities with transitional employment programs through contracts with the private sector. Because these businesses have to pay for higher overhead costs, including supervision, counseling, and training of a homeless workforce, they are at a competitive disadvantage and obtain few City contracts. Consequently, the demand for transitional jobs for the hardest-to-employ is not met.

The City currently provides a contracting "preference" for small, local businesses in Los Angeles County. Extending the preference to business entities working with the hardest-to-employ populations could allow the City to expand the number of transitional job opportunities available to the long-term unemployed in Los Angeles. Given that the City has limited financial resources available for social and workforce development

services, this is a low cost and financially feasible way for the City to address the significant need to help people move away from chronic unemployment and into employment and economic self-sufficiency.

Sec. 10.31.1. Definitions.

The following definitions shall apply to this Article:

(a) **“Awarding Authority”** means any Board or Commission of the City of Los Angeles, or any authorized employee or officer of the City of Los Angeles, including the Purchasing Agent of the City of Los Angeles, who makes or enters into any contract or agreement for the provision of services of any kind or nature whatsoever for or on behalf of the City of Los Angeles.

(b) **“Contract”** means any agreement, the value of which does not exceed \$100,000, for the performance of any work or service to the City of Los Angeles or to the public, which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

(c) **“Contractor”** means any person, firm, corporation, partnership, or any combination thereof, who submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

(d) **“Designated Administrative Agency (DAA)”** means the Department of Public Works, Bureau of Contract Administration, who shall bear administrative responsibilities under this Article.

(e) **“Principal place of business”** means the state in which the substantial predominance of the entity’s corporate operations take place, or in which the entity’s executive and administrative functions are performed.

(f) **“Supportive Services”** includes, but is not limited to, counseling services, individual case management, pre-employment job readiness training, daily monitoring of participants while on the job, provision of unsubsidized competitive employment opportunities, and assistance in applying for, obtaining, and maintaining unsubsidized competitive employment.

(g) **“Transitional job”** means short-term, wage-paying, subsidized employment that combines real work, skill development, and supportive services to help participants overcome barriers to employment and transition to unsubsidized competitive employment.

(h) **“Transitional employer”** means an organization that provides transitional jobs for the long-term unemployed, and that has been certified by the DAA as a transitional employer under this Article.

Sec. 10.31.2. Application.

Any contractor who qualifies as a transitional employer and is a responsible bidder or proposer shall be granted a preference as to all contracts for which bids or proposals were solicited, and which do not exceed \$100,000 in value, in an amount equal to ten percent of the bid or proposal of the lowest and best responsible bidder or proposer, if that latter bidder or proposer has not qualified as a transitional employer.

Sec. 10.31.3. Certification

A business entity shall qualify as a transitional employer, as used in this Article, if:

(a) It is incorporated in the state of California or its principal place of business is located in the state of California.

(b) It has requested classification as a transitional employer and has been approved as such by the City through the DAA. In order to be so approved, a business entity shall set forth, under penalty of perjury, such information as requested by the City on either electronic or hardcopy forms supplied by the City, and submit the necessary certification forms to the DAA not less than five (5) calendar days before the last day for submission of the bid or proposal.

(c) The criteria the City shall consider in determining whether a business entity so qualifies shall include, but not be limited to, the following:

(1) The business entity has been in operation for at least three years, providing transitional jobs and the related supportive services to program participants;

(2) A profile of the program participants (e.g., homeless individuals, individuals with addictions, at-risk youth, etc.);

(3) A description of the business entity’s program components designed to help program participants transition towards unsubsidized competitive employment, including the supportive services offered to participants;

(4) The number of participants in the program in the last calendar year;

(5) Any other criteria as may be developed by the DAA in its administration of this Program.

Sec. 10.31.4. Administration and Contract Language.

The DAA shall be responsible for the administration of this Article. The DAA shall issue written instructions on the implementation and ongoing administration of this Article. All contracts shall include language obligating the contractor to comply with this Article and imposing the enforcement remedies articulated in this Article.

Sec. 10.31.5. Enforcement and Remedies.

When allegations of violations of this Article are brought to the attention of the DAA, the DAA shall promptly review the allegations and, if confirmed, consider and implement appropriate enforcement action. When determining whether there is a violation of this Article, the DAA shall take into consideration relevant and reliable information including, but not limited to, information provided by the contractor and its subcontractors, reports from reputable national and international organizations, documented media reports, and credible information from local groups and organizations. If the DAA determines that a contractor has violated this Article, the DAA may recommend that the awarding authority take some or all of the following measures:

- (a) Assess contractor with a statutory penalty equal to the greater of \$1,000 or twenty percent of the value of the contract.
- (b) Terminate the contract for breach and pursue any and all remedies available under law.
- (c) Apply the City's Contractor Responsibility Ordinance to the contractor.

Sec. 10.31.6. Exceptions.

This Article shall not apply to a bid or proposal if to do so would violate or conflict with federal or state law. The DAA may waive compliance with this Article under the following circumstances:

- (a) The contract is necessary to respond to an emergency that endangers public health or safety and no contractor which is in compliance with this Article is capable of responding to the emergency.
- (b) The requirements of this Article conflict with the terms or conditions of a federal or state grant, subvention or agreement.

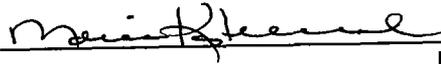
Sec. 10.31.7. Severability.

If any provision of this Article is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board at the Main Street entrance to Los Angeles City Hall; one copy on the bulletin board at the Main Street entrance to Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the foregoing ordinance was introduced at the meeting of the Council of the City of Los Angeles of August 16, 2005, and was passed at its meeting of SEP 06 2005

FRANK T. MARTINEZ, City Clerk

By  Deputy

Approved SEP 16 2005

 Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

By 
ADRIENNE KHORASANEE
Deputy City Attorney

Date 6/29/05

File No. 04-0178-S1

DECLARATION OF POSTING ORDINANCE

I, MARIA C. RICO, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 176959 - Adding Article 5 to Division 10 of the Los Angeles Administrative Code to establish a contracting preference for organizations who provide transitional jobs to the long-term unemployed in the execution of their work under a contract with the City of Los Angeles - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on Sept. 6, 2005, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on Sept. 23, 2005, I posted a true copy of said ordinance at each of three public places located in the City of Los Angeles, California, as follows: 1) One copy on the bulletin board at the Main Street entrance to Los Angeles City Hall; 2) one copy on the bulletin board at the Main Street entrance to Los Angeles City Hall East; 3) one copy on the bulletin board at the Temple Street entrance to the Hall of Records of the County of Los Angeles.

Copies of said ordinance were posted conspicuously beginning on Sept. 23, 2005 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 23rd day of September 2005 at Los Angeles, California.



Maria C. Rico, Deputy City Clerk

Ordinance Effective Date: Nov. 2, 2005 Council File No. 04-0178-S1