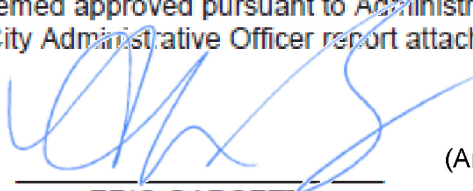


|  |                  |                        |
|--|------------------|------------------------|
| <b>TRANSMITTAL</b>   |                  | 0150-11715-0000        |
| TO<br>The City Council   | DATE<br>02/02/21 | COUNCIL FILE NO.       |
| FROM<br>The Mayor  |                  | COUNCIL DISTRICT<br>14 |
| <p><b>Proposed Concession Agreement between First and Broadway Partners, LLC and the Department of Recreation and Parks for the design, operation, and maintenance of the First and Broadway Park restaurant complex.</b></p> <p>Transmitted for your consideration. The Council has 60 days from the date of receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a) See the City Administrative Officer report attached.</p> <div style="text-align: center;"> <br/> <hr style="width: 20%; margin: 0 auto;"/> <b>ERIC GARCETTI</b><br/> <b>MAYOR</b> </div> <div style="text-align: right; margin-top: 10px;">       (Ana Guerrero for)     </div> |                  |                        |
| <small>RHL:ACG:082100101</small>   |                  |                        |

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

|  |                |   |                                  |
|--|----------------|---|----------------------------------|
| To: The Mayor  | Date: 10-02-20 | C.D. No.<br>14  | CAO File No.:<br>0150-11715-0000 |
| Contracting Department/Bureau:<br>Recreation and Parks   |                | Contact:<br>Stanley Woo   |                                  |
| Reference: Transmittal from the Board of Recreation and Park Commissioners dated July 16, 2020; referred by the Mayor on July 30, 2020 |                |   |                                  |
| Purpose of Contract: Design, operation, and maintenance of the First and Broadway Park restaurant complex.                             |                |   |                                  |
| Type of Contract:<br>(X) New contract<br>( ) Amendment, Contract No. [C-XXXXXX]  |                | Contract Term Dates:<br>Fifteen years with one five-year renewal option |                                  |
| Contract/Amendment Amount: \$0   |                |   |                                  |
| Proposed amount \$0+ Prior award(s) \$0= Total \$0   |                |   |                                  |
| Source of funds: Not applicable  |                |   |                                  |
| Name of Contractor: First and Broadway Partners, LLC   |                |   |                                  |
| Address:<br>1924 East Maple Avenue<br>Suite B<br>El Segundo, CA 90245  |                |   |                                  |
|  | Yes            | No  | N/A                              |
| 1. Council has approved the purpose  |                | X   |                                  |
| 2. Appropriated funds are available  |                |   | X                                |
| 3. Charter Section 1022 findings completed   | X              |   |                                  |
| 4. Proposals have been requested   | X              |   |                                  |
| 5. Risk Management review completed  | X              |   |                                  |
| 6. Standard Provisions for City Contracts included   | X              |   |                                  |
| 7. Workforce that resides in the City: 0%  |                |   |                                  |
| Contractor has complied with:  | Yes            | No  | N/A                              |
| 8. Business Inclusion Program  | X              |   |                                  |
| 9. Equal Benefits & First Source Hiring Ordinances   | X              |   |                                  |
| 10. Contractor Responsibility Ordinance  | X              |   |                                  |
| 11. Disclosure Ordinances  | X              |   |                                  |
| 12. Bidder Certification CEC Form 50   | X              |   |                                  |
| 13. Prohibited Contributors (Bidders) CEC Form 55  | X              |   |                                  |
| 14. California Iran Contracting Act of 2010  | X              |   |                                  |

## RECOMMENDATION

That the Council, subject to the approval of the Mayor, authorize the President and Secretary of the Board of Recreation and Park Commissioners to execute the proposed agreement with First and Broadway, LLC for the development, operation, and maintenance of a food and beverage concession at the First and Broadway Park, for a term of 15 years with one five (5)-year option, subject to the approval of the City Attorney as to form.

## SUMMARY

At its meeting held on July 16, 2020, the Board of Recreation and Park Commissioners (Board) approved an agreement for the development, operation, and maintenance of a restaurant complex at the First and Broadway Park, located at 217 W. First Street.

The concession space includes various points of sale and will also serve as a venue for special events such as art openings, weddings, live entertainment, and a community gathering space. In addition, the concession space will feature free Wi-Fi and a publicly accessible vista point on the rooftop.

|                  |         |                             |
|------------------|---------|-----------------------------|
| Albert C. Griego |         |                             |
| ACG              | Analyst | 08210010                    |
|                  |         | City Administrative Officer |



### Selection Process

On January 24, 2018, Department of Recreation and Parks (Department) released a request for proposals (RFP) for the development, operation, and maintenance of a restaurant complex at First and Broadway Park. Advertisement for the RFP was released on various websites, media outlets, Department website, Los Angeles Business Assistance Virtual Network, and by directly emailing a list of interested parties. Department staff also presented the opportunity at the Western Food Exposition in 2017.

The objectives for the RFP were developed with community input from outreach performed by MLA Studios, the firm that designed the First and Broadway Park. The information provided by community members and stakeholders during outreach revealed the type of food and events they would like to see in the park.

Objectives for the RFP were as follows:

- Food and Beverage Service at designated points of sale;
- Hosting and cross promoting special events;
- A vibrant, sophisticated dining experience;
- Fresh, high quality food at a reasonable price;
- Five star customer service;
- A fair and respectable employment environment; and,
- Modern improvements and equipment required to operate the concessions.

The Department did not receive any proposals during this time. After consulting with the City Attorney, the Department determined that pursuant to Charter Section 371(e)(10), Los Angeles City Administrative Code Section 10.15(a)(10), the use of competitive bidding would be undesirable, impractical or impossible or where the common law otherwise excuses compliance with competitive bidding requirements. The Department then reached out to restaurateurs and consultants directly in order to bolster interest in the opportunity. First and Broadway Partners, LLC submitted a proposal that met the RFP objectives.

### Agreement

First and Broadway Partners, LLC will fully fund the capital investment which includes the design and full build out of the restaurant interior, front-of-house and back-of-house, including the kitchen and food preparation areas, as well as providing free Wi-Fi access, point-of-sale system, and furniture. The guaranteed minimum capital investment for the project is \$5.50 million.

Compensation is as follows:

| Year of Agreement | Minimum Annual Guarantee  | Rental Payment<br>(as a percentage of gross receipts)                                      |
|-------------------|---|--|
| Years 2-3         | \$200,000   | 6% - Food and non-alcoholic beverages<br>12% - Alcoholic Beverages<br>20% - Special events |
| Years 4-15        | Greater of 103% of the previous year's Minimum Annual Guarantee or 90% of the actual paid rent for the previous year. | 6% - Food and non-alcoholic beverages<br>12% - Alcoholic Beverages<br>20% - Special events |

The proposed revenue sharing model accounts for the impact of the COVID-19 pandemic on restaurant and event rental revenue, and provides an incentive for the contractor to take on this capital investment. During the first year of the agreement there will be no minimum annual guarantee to allow for the completion of construction. First and Broadway Partners, LLC will pay the City the greater of a minimum annual guarantee of \$200,000 or the percentage rent paid by the concessionaire, for years two and three of the agreement. According to the Department, prior to the COVID-19 pandemic, gross revenue was projected at \$8 million for the first year, with revenue sharing of approximately \$500,000 paid to Recreation and Parks. This projection was subsequently adjusted downward resulting in a minimum annual guarantee of \$200,000. Revenue during years four (4) through 15 will be the greatest of 103 percent of the previous year's minimum annual guarantee or 90 percent of the actual rent paid for the previous year. After the initial 15-year term, the Department and First and Broadway Partners, LLC will renegotiate a new minimum annual guarantee. The 15-year term is proposed to allow the contractor sufficient time to recoup its costs on this capital investment. The proposed compensation is consistent with industry standards. Further, this proposed payment structure is similar to that in other concession agreements such as the Ranch Park Golf Course.

The Bureau of Engineering determined that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Article III, Section I, Class 1 (14) [issuance of a license to use] of City of Los Angeles Guidelines as well as Article 19, Section 15301 of California CEQA Guidelines. The Department filed a notice of exemption with the Los Angeles County Clerk.

In accordance with Charter Section 1022, the Board determined that the services provided would be performed more feasibly by a contractor than by City employees because the Department does not have sufficient personnel with the required expertise to undertake these specialized professional tasks.

Pursuant to the Los Angeles Administrative Code Section 10.5(a), Council approval of the proposed agreement is required because the term exceeds three years. To the best of our knowledge, the Department has complied with all applicable City procedures, laws, and policies in awarding the agreement and First and Broadway Partners, LLC has complied with all standard provisions for City contracts, as well as City contracting requirements.

This Office finds that the proposed contract qualifies for an exemption from the contractual services policy in the Mayor's 2020-21 Cost Containment Measures memorandum dated June 24, 2020 inasmuch as the services are revenue generating.

## **FISCAL IMPACT STATEMENT**

The approval of the recommendation in this report has no fiscal impact on the General Fund as there is no cost to the City. First and Broadway Partners, LLC will pay the City a minimum annual guarantee of \$200,000 of which 90 percent will be deposited in the Recreation and Parks General Fund Account and the remaining 10 percent to be deposited in the Concession Improvement Account.

## **FINANCIAL POLICIES STATEMENT**

The recommendation in this report complies with the City's Financial Policies as there is no cost to the City associated with the proposed agreement.

### **Attachments**

*RHL:YC:ACG:08210010*

**DEPARTMENT OF RECREATION  
AND PARKS**

**BOARD OF COMMISSIONERS**

**SYLVIA PATSAOURAS**  
PRESIDENT

**LYNN ALVAREZ**  
VICE PRESIDENT

**TAFARAI BANE**  
**NICOLE CHASE**  
**JOSEPH HALPER**

**HAROLD ARRIVILLAGA**  
BOARD SECRETARY (213) 202-2640

**City of Los Angeles**  
California



**ERIC GARCETTI**  
MAYOR

**MICHAEL A. SHULL**  
GENERAL MANAGER

**ANTHONY-PAUL (AP) DIAZ, ESQ.**  
EXECUTIVE OFFICER &  
CHIEF OF STAFF

**VICKI ISRAEL**  
ASSISTANT GENERAL MANAGER

**SOPHIA PIÑA-CORTEZ**  
ASSISTANT GENERAL MANAGER

**CATHIE SANTO DOMINGO**  
ASSISTANT GENERAL MANAGER

(213) 202-2633 FAX (213) 202-2614

July 21, 2020

Honorable Eric Garcetti, Mayor  
City of Los Angeles  
Room 303, City Hall

Attention: Ms. Heleen Ramirez

Dear Mayor Garcetti:

In accordance with Executive Directive No. 3, attached herewith is a proposed Agreement for the development, operation and maintenance of a food and beverage concession at the First and Broadway Park Restaurant Complex, between the City, acting by and through its Department of Recreation and Parks (RAP), and First and Broadway Partners, LLC, for a term of fifteen years with one five-year extension option exercisable at the sole discretion of RAP's General Manager.

Attached is Board Report No. 20-145, which was adopted by the Board of Recreation and Park Commissioners at its Regular Meeting held on July 16, 2020. After your review and recommendation, the proposed Agreement will be submitted to the Board for final action.

If you have any questions with regard to the proposed refund claim, please contact Ms. Rachel Ramos, Senior Management Analyst II, Concessions, at (213) 202-5659.

Very truly yours,

BOARD OF RECREATION AND  
PARK COMMISSIONERS

**HAROLD ARRIVILLAGA**  
Commission Executive Assistant II

**Attachments**

cc: Rachel Ramos, Senior Management Analyst II, Concessions, Finance Branch  
Matthew Rudnick, Chief Management Analyst, Finance Branch





APPROVED  
JUL 16 2020

BOARD REPORT

BOARD OF RECREATION  
AND PARK COMMISSIONERS

NO. 20-145

DATE: July 16, 2020

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FIRST AND BROADWAY PARK - APPROVE AWARD AND AUTHORIZE EXECUTION OF AGREEMENT FOR THE DEVELOPMENT, OPERATION AND MAINTENANCE OF THE FOOD AND BEVERAGE CONCESSION AT FIRST AND BROADWAY PARK RESTAURANT COMPLEX-CATEGORICAL EXEMPTION FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO ARTICLE III, SECTION 1, CLASS 1(14) [ISSUANCE OF A LICENSE TO USE] OF CITY CEQA GUIDELINES AND ARTICLE 19, SECTION 15301 OF CALIFORNIA CEQA GUIDELINES

A.P. Diaz \_\_\_\_\_  
R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_

V. Israel \_\_\_\_\_  
S. Pina-Cortez \_\_\_\_\_  
N. Williams NDW

*M. Olvera*

General Manager

Approved X

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

If Approved: Board President

*Agripa Pagan*

Board Secretary

*H. Amador*

RECOMMENDATIONS

1. Approve the award of an agreement for the development, operation and maintenance of a food and beverage concession at the First and Broadway Park Restaurant Complex to First and Broadway Partners, LLC (First and Broadway Partners), for a term of fifteen years with one five-year extension option exercisable at the General Manager's sole discretion and in accordance with the details set forth in this Report;
2. Approve the proposed Agreement between the City of Los Angeles and First and Broadway Partners, substantially in the form attached to this Report as Attachment A (Agreement), for the development, operation and maintenance of the First and Broadway Restaurant Complex, subject to the approval of the Mayor, the City Council, and the City Attorney as to form;
3. Direct the Board of Recreation and Park Commissioners (Board) Secretary to transmit the Agreement to the Mayor per Executive Directive No. 3, and to the City Attorney for approval as to form;
4. Find, in accordance with Charter Section 1022, that it is necessary, feasible, and economical to secure these services by contract as the Department of Recreation and Parks (RAP) lacks sufficient and necessary personnel to undertake these specialized professional services;
5. Find, pursuant to Charter Section 371(e)(10), and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter for the award of this Agreement



## BOARD REPORT

PG. 2 NO. 20-145

or otherwise excused by the common law and the Charter for the award of this Agreement because, after advertisement and release of a Request for Proposal (RFP) for the development, operation, and maintenance of the First and Broadway Park Restaurant Complex, no proposals were received, and RAP thereafter entered into negotiations directly with an interested restaurant operator who participated in the RFP's pre-proposal conference to engage in a contract;

6. Authorize the General Manager or Designee to execute the proposed Agreement substantially in the form attached to this Report (Attachment A) upon receipt of all necessary approvals and to make any necessary technical changes consistent with the Board's intent in approving this Report and proposed Agreement; and,
7. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Article III, Section 1, Class 1(14) [ISSUANCE OF A LICENSE TO USE] of City of Los Angeles CEQA guidelines as well as to Article 19, Section 15301 of California CEQA Guidelines and direct RAP staff to file a Notice of Exemption; and,
8. Authorize the RAP Chief Accounting Employee to prepare a check to the Los Angeles County Clerk in the amount of Seventy-Five Dollars (\$75.00) for the purpose of filing a Notice of Exemption.

### SUMMARY

The First and Broadway Park Restaurant Complex (Concession) will be located in First and Broadway Park to be developed at 217 W. 1<sup>st</sup> Street, directly across from Los Angeles City Hall. The Concession will consist of three levels: a ground floor café and beer garden; a restaurant on the second floor; and a rooftop bar and lounge. The Concession will serve as the anchor to the innovative and iconic First and Broadway Park (FAB Park). Construction is expected to commence in 2021.

In addition to the various points of sale, the Concession will serve as a special events space, hosting events such as art openings, weddings, various live entertainment and serve as a community gathering space. The Concession will feature free Wi-Fi as well as a publicly accessible vista point on the rooftop.

### RFP PROCESS

On January 24, 2018, RAP released a Request for Proposal (RFP) for the development, operation, and maintenance of the restaurant complex at FAB Park. Advertisement was conducted on websites and email blasts from Food-Management.com (FM) and Nation's Restaurant News (NRN); the LA Weekly; Downtown Business News; Los Angeles Business Journal, on RAP's website, on the Los Angeles Business Assistance Virtual Network (LABAVN), and by correspondence to interested parties on a list maintained by RAP. Staff also presented the opportunity to the Central City Association and to attendees at the 2017 Western Food Expo.

## BOARD REPORT

PG. 3 NO. 20-145

RAP did not receive any responsive proposals in connection with the RFP. As such, RAP staff made contact and had discussions with various restaurateurs and restaurant consultants in effort to garner interest in the opportunity. After months of discussions with various parties, First and Broadway Partners, LLC furnished RAP with a promising proposal that fit with plans for FAB Park. Subsequently, RAP staff has spent several months in negotiations with First and Broadway partners to finalize the proposed Concession Agreement.

Presenting this item for Board consideration was delayed due to the COVID-19 emergency. Despite the significant economic impacts experienced by the restaurant industry and the ongoing uncertainty with respect to the timeline for full-service restaurant re-opening and recovery, staff recommends that the Board approve the proposed Concession Agreement with First and Broadway partners for the reasons outlined below.

### DISCUSSION

The principals of First and Broadway Partners are seasoned restaurateurs and food and beverage professionals with decades of experience in partnering with the City of L.A. The primary partner Crews, represents a team of proven local restaurateurs, chefs and masters of adult beverages with a track record of delivering high volume, long standing successful operations throughout Los Angeles and the United States. Crews is an existing minority-owned business who has been a partner with the City for over twenty (20) years, and operates several restaurants at Los Angeles International Airport (LAX) including Rock & Brews, Lemonade, Built Burgers, and Pick Up Stix. Crews also operates other various concepts at airports in Atlanta, Charlotte, and Washington DC.

First and Broadway Partners' proposal and subsequent negotiations with RAP staff established that they can meet the objectives described in the original RFP. The objectives were developed with information gleaned from the public during outreach events which were facilitated by MLA Studios, the firm that designed FAB park, and informed the project team on preferences of local community members and stakeholders on food, art and other offerings that they would like to see in the park. The following key objectives were listed in the original RFP.

- Food and beverage service at designated points of sale
- Hosting and cross promoting special events
- A vibrant, sophisticated dining experience
- Fresh, high quality food at reasonable prices
- Five-star customer service
- A fair and respectful employment environment
- Modern improvements and equipment required to operate the concessions

While Crews, the principals of First and Broadway Partners', have experienced a tremendous impact to their restaurant concessions operations due to the dramatic reduction in air travel, they have reaffirmed their commitment to RAP on the project. In addition, RAP staff has verified First and Broadway Partners' fiscal capacity to meet the operational and capital investment obligations of the project as more fully detailed below.

## BOARD REPORT

PG. 4 NO. 20-145

### CAPITAL INVESTMENT

Capital investment from First and Broadway Partners will include design and full build out of all restaurant interior front-of-house and back-of-house, including kitchens and food preparation areas. First and Broadway Partners will also provide free public Wi-Fi, a modern Point of Sale (POS) system, and furniture. The park and other areas of the restaurant complex building are being designed and built by the City of Los Angeles Bureau of Engineering (BOE). First and Broadway Partners has committed to invest a guaranteed minimum of \$5,500,000. However, the estimated investment amount to achieve the proposed concepts is \$7,569,250. This amount will be fully funded by First and Broadway Partners.

RAP staff has verified references and the financial background of First and Broadway Partners and Crews. This project will be financed through a combination of Crews' internal cash flow and funds from equity partners and private equity loans.

### PROPOSED CONCEPTS

First and Broadway Partners conducted extensive research on the current Downtown Los Angeles (DTLA) restaurant landscape and has developed a Business Plan which they feel will provide a service not currently offered with food that is fresh, locally sourced and affordable, served in an enhanced modern atmosphere.

First and Broadway Partners is proposing that the first floor serve as a hybrid community space and café envisioned for creatives, students, tourist, entrepreneurs and DTLA business people to come together. Inspired by the increasingly popular mixed use gathering space, café, and spirits lounge model, this space will nurture a collaborative atmosphere where the community can share a meal or beverage, work, and network in a beautiful park setting.

The first floor will serve breakfast, lunch, dinner, artisan coffee, creative cocktails, affordable wine and local craft beer. The café may also feature rotating chef partners to curate a changing culinary experience and feature works by rotating artists to showcase world class talent. Special events that may be held in this space include a weekly brunch and rotating food events such as specialty food, wine nights, and crab boils.

First and Broadway Partners has relationships with a variety of chef partners to draw upon for the restaurant concept for the second level, which seeks to offer a high-quality culinary experience at an affordable price point. This space may also host themed events such as Taco Tuesday, Steak and Scotch Night, and holiday brunches. RAP will also work with First and Broadway Partners to ensure that a vegan entrée is offered.

The third floor rooftop bar concept, will offer classic cocktails made from seasonal and locally sourced ingredients; local craft beer; sumptuous wines; and a limited food menu.

It should be noted that no final themes, menus or concepts for food and beverage offerings at the

## BOARD REPORT

PG. 5 NO. 20-145

restaurant complex at FAB Park have been approved by RAP or finalized. The Agreement provides that First and Broadway Partners will propose various food and beverage themes, menus and concepts for the café, restaurant, beer garden and rooftop bar ("F&B Concept") and that any F&B Concept shall require the written approval of RAP prior to adoption and implementation. Further, RAP will reserve the right to request any changes or modifications to any F&B Concept proposed by First and Broadway Partners prior to its final implementation, including requesting different restaurant themes, concepts and menus. Thus, it is RAP staff's intent to continue to collaborate with First and Broadway Partners on any F&B Concept to maximize the potential of the restaurant complex to garner the interest of the community. All menu items shall require the written approval of RAP prior to final implementation.

### COMPENSATION

Compensation to the City will be the greater of a Minimum Annual Guarantee (MAG) or percentage rent as follows:

| YEAR                       | MAG  | PERCENTAGE RENT  |
|----------------------------|--|--|
| Years 1-3 of Primary Term* | \$200,000  | 6% - Food and non-alcoholic beverages<br>12% - Alcoholic beverages<br>20% - Special events |
| Years 4-15                 | Greater of 103% of the previous year's MAG or 90% of the actual paid rent for the previous year. | 6% - Food and non-alcoholic beverages<br>12% - Alcoholic beverages<br>20% - Special events |

\*The MAG will be suspended for a maximum of twelve (12) months and not apply during the months of the first year of the PRIMARY TERM of the AGREEMENT when CONCESSIONARE is undertaking to complete the Development Project improvements.

While the MAG is initially set at \$200,000, prior to the COVID-19 emergency First and Broadway Partners projected gross revenue of approximately \$8 million in the first year, with revenue share of approximately \$500,000 paid to RAP based on the percentage rent amounts shown above. Given the uncertainty with respect to the recovery of and reopening timelines of full-service restaurants and event spaces, the revenue sharing model above is intended to avoid an overly burdensome payment obligation to RAP while also ensuring fair compensation is remitted to RAP when restaurant and event rental revenue successfully rebounds in the future.

The Agreement provides that, upon exercise of the option to extend the contract for an additional five (5) years, RAP and First and Broadway Partners will negotiate a new MAG for the option term.

### SPECIAL EVENTS

It is anticipated that FAB Park and the restaurant complex will eventually become popular venues for special events and public gatherings such as concerts, cultural events and community events.

## BOARD REPORT

PG. 6 NO. 20-145

Under the proposed Agreement, First and Broadway Partners may host up to ten events per space per year, subject to RAP approval. Additionally, RAP reserves the right to utilize the restaurant complex for RAP-sponsored events up to twelve events per space per year. First and Broadway Partners will also work with RAP and Grand Park's special events team to coordinate event management activities.

### PROPOSED CONCESSIONS CONTRACT TERM

The primary term of the proposed Agreement is fifteen years plus one five-year option. This will allow sufficient time for the amortization of the significant capital investment by First and Broadway Partners and allow time for the design and build-out phases with additional time for construction delays or other unforeseen circumstances that may arise with a newly developed property. There will be an interim term of the Agreement preceding the primary term during which the restaurant complex is being constructed. The interim term will expire and the primary term will commence on the date the General Manager designates as the date First and Broadway Partners may occupy the complex.

The Agreement includes language that allows RAP to terminate the Agreement in the event that the FAB Park project is delayed. Additionally, RAP must provide notice to First and Broadway Partners prior to First and Broadway Partners starting design of their improvements.

### IMPLEMENTATION PLAN

Ideally the opening of the Concession will coincide with the opening of FAB Park. The feasibility of this will be determined after a general contractor is secured by BOE to construct the park and core and shell of the restaurant complex and a phasing plan is established. First and Broadway Partners will work closely with RAP, BOE staff and their contractors/consultants to coordinate design approval and construction of the tenant improvements with the intention to open the restaurant and the park simultaneously.

Security of the park will be provided by RAP. However, First and Broadway Partners will be responsible for security within the restaurant complex, including the beer garden and outdoor seating area for the café. RAP and First and Broadway Partners will coordinate security plans to ensure a consistent and seamless experience for park guests.

One unique feature of FAB Park is that there is no on-site parking. In anticipation of meeting the needs of guests who expect to park their vehicle in order to visit or dine at FAB park, First and Broadway Partners is exploring options for valet parking and/or leasing space at nearby parking lots for peak times.

### CONCLUSION

RAP issued an RFP for the development, operation and maintenance of the First and Broadway Park Restaurant Complex. After not receiving any responsive proposals in response to the RFP,



## BOARD REPORT

PG. 7 NO. 20-145

RAP entered into discussions with multiple potential operators and then negotiations with First and Broadway Partners, who RAP staff has deemed well qualified to execute the build out of the Concession and to operate the various concepts that may be presented and approved.

The alternative to executing this Agreement would be to re-release the RFP. However, in light of the ongoing uncertainties associated with the COVID-19 emergency, in the interest of meeting the timeline for construction of the park, and in consideration of the favorable terms negotiated by RAP staff, RAP staff believes it is in the best interest of the City to proceed with awarding the concession to First and Broadway Partners under the terms of the Agreement.

Therefore, RAP staff recommends approval to award the Concession Agreement to First and Broadway Partners for the development, operation, and maintenance of the Concession.

### ENVIRONMENTAL IMPACT STATEMENT

The proposed project consists of a concession agreement and associated capital improvements to develop and manage a restaurant, a lounge and a hybrid community space and café (capital improvements) at First and Broadway Park.

The environmental effects of the capital improvements have been previously assessed in accordance with the CEQA (BR 19-075). An Initial Study/Mitigated Negative Declaration (IS/MND) determined that all potentially significant environmental effects of First and Broadway Park, would be mitigated to a level of less than significant.

After reviewing the agreement, staff has found that all the environmental impacts from the proposed capital improvements have been assessed in the IS/MND and that:

1. The proposed Project will not involve substantial changes in the project scope requiring major revisions in the previous IS/MND due new-significant environmental effects, or an increase in the severity of previously identified and mitigated effects;
2. The circumstances under which the Project is undertaken will not require revisions of the previous IS/MND due new significant environmental effects or an increase in the severity of previously identified and mitigated effects;
3. There is no new information of substantial importance showing new significant environmental effects not discussed in the previous IS/MND, or an increase in the severity of previously examined significant and mitigated effects;
4. There are no mitigation measures or alternatives to the project considerably different from those analyzed in the previous IS/MND that would substantially reduce one or more significant effects on the environment, but not adopted with the previous IS/MND.

Therefore, Staff recommends that the Board determine that the concession agreement is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(14) [ISSUANCE OF A LICENSE TO USE] of City of Los Angeles CEQA Guidelines as well as to Article 19, Section 15301 of California CEQA Guidelines. A Notice of Exemption will be filed with Los Angeles County Clerk upon approval of this report by the Board.

## BOARD REPORT

PG. 8 NO. 20-145

### FISCAL IMPACT STATEMENT

First and Broadway Partners' proposed compensation guarantees annual revenue to RAP of at minimum \$200,000 during years two and three of the fifteen year term. Revenue following year three will be 103% of the previous years MAG or 90% of the actual paid rent for the previous year.

This Report was prepared by Rachel Ramos, Senior Management Analyst II, Finance Branch, Concessions Unit.

### LIST OF ATTACHMENTS

- A) Proposed Agreement and Exhibits for the Operation and Maintenance of the First and Broadway Restaurant Complex Concession between the City of Los Angeles and First and Broadway Partners, LLC.

**AGREEMENT  
FOR THE DEVELOPMENT, OPERATION AND MAINTENANCE OF  
FIRST AND BROADWAY PARK  
FOOD AND BEVERAGE CONCESSION**

**BETWEEN**

**THE CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS**

**AND**

**FIRST AND BROADWAY PARTNERS, LLC**

## TABLE OF CONTENTS

|   | <u>Page</u> |
|---|-------------|
| SECTION 1. DEFINITIONS .....  | 2           |
| SECTION 2. PERMISSION GRANTED .....                                       | 3           |
| SECTION 3. PREMISES.....  | 3           |
| SECTION 4. TERM OF AGREEMENT.....   | 4           |
| SECTION 5. OPERATING RESPONSIBILITIES.....                                | 5           |
| SECTION 6. CAPITAL IMPROVEMENTS, EQUIPMENT, AND ONGOING REFURBISHMENT ... | 13          |
| SECTION 7. HOURS / DAYS OF OPERATION.....                                 | 15          |
| SECTION 8. MINIMUM ANNUAL GUARANTEE AND MONTHLY RENTAL PAYMENT .....      | 16          |
| SECTION 9. ADDITIONAL FEES AND CHARGES .....                              | 19          |
| SECTION 10. INSURANCE .....   | 20          |
| SECTION 11. MAINTENANCE OF PREMISES.....                                  | 20          |
| SECTION 12. PROHIBITED ACTS .....   | 23          |
| SECTION 13. RATIFICATION .....  | 24          |
| SECTION 14. PERFORMANCE DEPOSIT .....                                     | 24          |
| SECTION 15. TAXES, PERMITS, AND LICENSES.....                             | 25          |
| SECTION 16. ASSIGNMENT, SUBLEASE, BANKRUPTCY .....                        | 26          |
| SECTION 17. BUSINESS RECORDS.....   | 26          |
| SECTION 18. REGULATIONS, INSPECTION, AND DIRECTIVES.....                  | 27          |
| SECTION 19. SURRENDER OF POSSESSION.....                                  | 30          |
| SECTION 20. CERTAIN TERMINATION PROVISIONS.....                           | 31          |
| SECTION 21. NOTICES.....  | 32          |
| SECTION 22. INCORPORATION OF DOCUMENTS .....                              | 33          |

**AGREEMENT FOR DEVELOPMENT, OPERATION AND MAINTENANCE OF THE FIRST  
AND BROADWAY PARK  
FOOD & BEVERAGE CONCESSION**

THIS Agreement (hereinafter "AGREEMENT") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between the CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department of Recreation and Parks (hereinafter referred to as "CITY"), and First and Broadway Partners, LLC (hereinafter referred to as "CONCESSIONAIRE").

**WHEREAS**, the Department of Recreation and Parks (hereinafter referred to as "RAP") on behalf of the City of Los Angeles is steward to over 16,000 acres of parkland, offering recreational, social and cultural programs at over 400 parks throughout the CITY; and

**WHEREAS**, RAP seeks to serve the public by providing food and beverage services including the sale of alcoholic beverages at First and Broadway Park Restaurant Complex (hereinafter "CONCESSION"); and

**WHEREAS**, the CITY finds, in accordance with Charter Section 1022, that it is necessary, feasible and economical to secure these services by contract as it lacks available personnel in its employ with sufficient expertise to undertake these specialized services; and

**WHEREAS**, the CITY finds, pursuant to Charter Section 371(e)(10), and Los Angeles Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by RAP for the redevelopment, operation and maintenance of this CONCESSION; and

**WHEREAS**, RAP found it is necessary to utilize a standard request for proposal process and to evaluate proposals received based upon the criteria included in a Request for Proposal (RFP); and

**WHEREAS**, RAP advertised for proposals for the development, operation and maintenance of the CONCESSION, to include providing food, beverage and related services to the public; and

**WHEREAS**, RAP did not receive qualified proposals for the CONCESSION through its RFP process, and

**WHEREAS**, subsequent to the RFP process, RAP staff solicited proposals from interested parties and entered into negotiations directly with a prospective operator; and

**WHEREAS**, CONCESSIONAIRE desires to enter into such AGREEMENT to provide services of the type and character required by CITY to meet the needs of the public at First and Broadway Park.

**NOW THEREFORE**, in consideration of the terms, covenants, and conditions hereinafter to be kept and performed by the respective parties, it is agreed as follows:



## **SECTION 1. DEFINITIONS**

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set forth:

|                      |   |
|----------------------|---|
| AGREEMENT:           | This Concession Agreement consisting of thirty-three (34) pages and fourteen (12) exhibits (A-L) attached hereto.   |
| BOARD:               | Board of Recreation and Park Commissioners  |
| CITY:                | City of Los Angeles, Acting by and through its Department of Recreation and Parks.  |
| CONCESSION:          | First and Broadway Park Restaurant Complex Food and Beverage Concession   |
| CONCESSIONAIRE:      | First and Broadway Partners, LLC  |
| FACILITY:            | First and Broadway Park   |
| GENERAL MANAGER:     | General Manager of RAP, or that person's authorized representative, acting on behalf of the CITY.   |
| LAAC:                | Los Angeles Administrative Code   |
| LAMC:                | Los Angeles Municipal Code  |
| PREMISES:            | The geographical area, as defined in Section 3 of this AGREEMENT, in which the Concession may be operated.  |
| RAP:                 | Department of Recreation and Parks  |
| SPECIAL EVENT        | An assembling of a group of more than twenty (20) people at a pre-booked time secured by a financial deposit from the organizer of the event or his/her/their representative. |
| STANDARD PROVISIONS: | Standard Provisions for City Contracts (Rev. 10/17 V.3), attached hereto as "Exhibit A" and incorporated herein.  |

## **SECTION 2. PERMISSION GRANTED**

For and in consideration of the payment of the fees and charges as hereinafter provided, and subject to all of the terms, covenants, and conditions of this AGREEMENT, RAP hereby grants to CONCESSIONAIRE, the exclusive right and obligation within the CONCESSION to sell food and beverages and offer related services as approved by the GENERAL MANAGER. Designated space authorized for use and activities by the CONCESSIONAIRE is identified in Exhibit B, and shall not be used for any other purpose without the prior written consent of GENERAL MANAGER.

The CONCESSION rights herein granted shall be carried on at the FACILITY solely within the limits and confines of said areas designated as PREMISES (Section 3) in this AGREEMENT. CONCESSIONAIRE, by accepting the AGREEMENT, agrees for itself, and its successors and assigns, that it will not make use of the PREMISES in any manner which might interfere with the recreational uses of the FACILITY.

While CONCESSIONAIRE is granted the exclusive right to sell food and beverages to the general public at the CONCESSION PREMISES (which shall include any kiosks, vending machines or other mobile/temporary solutions for providing food and beverage services as permitted hereunder), this exclusive right does not prohibit private parties from preparing or bringing their own food and drinks to the FACILITY. In addition, CITY shall have the right to use the PREMISES free of charge and without a financial deposit for up to twelve (12) SPECIAL EVENTS per space (café, beer garden, restaurant, and rooftop) per year. For each such CITY SPECIAL EVENT, the CITY may elect to procure food and beverage service from outside caterers, but CONCESSIONAIRE shall enjoy the first right of refusal to provide catering service.

In the event of a conflict between CONCESSIONAIRE and any other concessionaire or any lessee at the FACILITY regarding the services to be offered or products to be sold by respective concessionaires or lessees, RAP shall meet and confer with all necessary parties to determine the services to be offered or products to be sold by each, and CONCESSIONAIRE hereunder agrees thereafter to be bound by said determination.

Subject to the provisions set forth in Section 5.T. of this Agreement, RAP reserves the right to further develop or improve the PREMISES as it sees fit without interference or hindrance.

## **SECTION 3. PREMISES**

The PREMISES subject to this AGREEMENT are located at: 217 W. 1<sup>st</sup> Street, Los Angeles, CA 90012. The PREMISES shall include the first floor café, second floor restaurant, beer garden, and the rooftop, as well as any portions of the FACILITY that the GENERAL MANAGER, by express written consent, approves for the offering of food and beverage service or mobile solutions. The location and area of the PREMISES is as set forth in Exhibit B, attached hereto and incorporated herein. Any discrepancy in the definition or boundaries of PREMISES shall be resolved solely by RAP. City shall deliver PREMISES to Concessionaire in "as is" condition.

CONCESSIONAIRE shall not use or allow the PREMISES to be used, in whole or in part, during any portion of the term of the AGREEMENT, for any use in violation of any present or future laws, ordinances, rules, and regulations, including those laws relating to sanitation or the public health, safety or welfare of operations at and use of the PREMISES.

Notwithstanding anything to the contrary in this AGREEMENT, CONCESSIONAIRE acknowledges and agrees that certain portions of the rooftop of the PREMISES shall be reserved for general public access and use ("Public Rooftop Area") in an area and at times to be determined in the sole discretion of RAP, and that CONCESSIONAIRE shall not deny or limit in any manner access to or use of the Public Rooftop Area by any member of the general public regardless of whether such member is a customer of the CONCESSION.

#### **SECTION 4. TERM OF AGREEMENT**

The term of this AGREEMENT ("TERM") shall consist of the Interim Term (as defined in Section 4.A) and the Primary Term (as defined in Section 4.B).. The TERM shall commence on the date the INTERIM TERM commences and shall expire upon the expiration of the PRIMARY TERM, unless sooner terminated as herein provided or extended as provided below.

A. The interim term of this Agreement ("INTERIM TERM") shall commence on the date of execution of this AGREEMENT ("COMMENCEMENT DATE"), and shall end on the Delivery Date (hereinafter defined).

The "Delivery Date" shall be the date specified by the General Manager, or his designee, in a written notice delivered to CONCESSIONAIRE ("DELIVERY NOTICE") as the date that CONCESSIONAIRE may take possession of the Premises pursuant to the terms of this Agreement. City makes no representation or warranty as to the timing of such Delivery Date, and City shall have no liability to CONCESSIONAIRE arising out of any delay in the Delivery Date of the Premises, and no such delay shall extend the TERM of this Agreement;

B. The primary term of this Agreement ("PRIMARY TERM") shall commence on the day immediately following the last day of the INTERIM TERM ("PT COMMENCEMENT DATE") and shall expire on the last day of the calendar month in which the fifteenth (15) anniversary of the PT COMMENCEMENT DATE occurs, unless sooner terminated as herein provided.

C. RAP shall have one option to extend the TERM of this AGREEMENT by five years (the "Extension Option"), such Extension Option to be exercisable at the sole discretion of RAP's General Manager. RAP's General Manager shall exercise the Extension Option by providing written notice ("OPTION NOTICE") to CONCESSIONAIRE no later than 12 months prior to the expiration of the PRIMARY TERM of this AGREEMENT notifying CONCESSIONAIRE of RAP's intent to exercise such option ("OPTION TERM"). The OPTION TERM shall be upon the same terms, covenants and conditions contained in this AGREEMENT, except with respect to the calculation of the monthly rent and MAG (as such term is defined in Section 8) as further specified in Section 8 below, and the construction of the initial capital improvements set forth in Section 6 below. In the event that RAP and CONCESSIONAIRE are unable to agree in good faith on the calculation of the monthly rent and MAG within 120 days after the date of the OPTION NOTICE, then CONCESSIONAIRE shall not be bound by RAP's exercise of the Extension Option and RAP's exercise of the Extension Option shall be null and void. This AGREEMENT shall, thereafter, terminate upon the expiration or other earlier termination of the PRIMARY TERM in accordance with this AGREEMENT. In the event RAP and CONCESSIONAIRE agree on the calculation of the monthly rent and MAG within 120 days after the date of the OPTION NOTICE, then the TERM of this AGREEMENT shall be extended for an additional five years from the expiration date of the PRIMARY TERM and CONCESSIONAIRE and RAP shall amend this AGREEMENT to memorialize such extension along with the agreed monthly rent and MAG applicable for the OPTION TERM. Neither CITY, nor any BOARD member, officer, or employee thereof shall be liable in any manner

to CONCESSIONAIRE because of any action taken by RAP to decline to exercise an option to extend the term of this AGREEMENT.

## **SECTION 5. OPERATING RESPONSIBILITIES**

CONCESSIONAIRE shall, at all times during the term of the AGREEMENT, comply with the following conditions:

### **A. Cleanliness**

CONCESSIONAIRE shall, at its own expense, keep the PREMISES and the first twenty-five (25) feet of the FACILITY surrounding the PREMISES clean and sanitary at all times. No offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable, or unlawful fire hazard, nor any material detrimental to the public health, shall be permitted to remain thereon, and CONCESSIONAIRE shall prevent any such matter or material from being or accumulating upon said PREMISES.

CONCESSIONAIRE, at its own expense, shall see that all garbage or refuse is collected as often as necessary and in no case less than once a day and disposed of in the primary dumpster located immediately adjacent to the driveway of the PREMISES. CONCESSIONAIRE shall furnish all equipment and materials necessary therefore, including trash receptacles of a size, type, and number approved by RAP. If no trash storage area is made available, CONCESSIONAIRE shall provide at its own expense and with RAP's prior written approval, an enclosed area concealing the trash storage from public view. RAP will incur the cost of all garbage pick-up from the main dumpster during the term of this AGREEMENT. CONCESSIONAIRE will separately be responsible for the removal of any cooking oil which shall not be disposed of in the primary dumpster.

CONCESSIONAIRE shall be responsible for the abatement of any graffiti on the PREMISES.

### **B. Conduct**

CONCESSIONAIRE and its representatives, agents, servants, and employees shall at all times conduct its business in a quiet and orderly manner to the reasonable satisfaction of RAP.

### **C. Disorderly Persons**

CONCESSIONAIRE shall use its best efforts to permit no intoxicated person or persons, profane or indecent language, or boisterous or loud conduct in or about the PREMISES and will call upon peace officers to assist in maintaining peaceful conditions. CONCESSIONAIRE shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances on the PREMISES.

### **D. Non-Discrimination/Equal Employment Opportunity Practices/Affirmative Action**

1. CONCESSIONAIRE, in its CONCESSION operations at the FACILITY, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree that: (1) no person on the grounds of race, color, national origin, religion, ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation, denied the benefits of or be otherwise subjected to unjust discrimination in access to or in the use of the facilities covered by the AGREEMENT; (2) that in the construction of any improvements on, over or under the PREMISES authorized to be utilized herein and the furnishing of services thereon, no person on the grounds of race, color, national origin, religion,

ancestry, sex, age, physical disability, or sexual orientation shall be excluded from participation in, denied the benefits of or otherwise be subjected to unjust discrimination.

2. CONCESSIONAIRE agrees that in the event of breach (as may be reasonably determined by the City) of any of the above nondiscrimination covenants, with proper notification as per Section 21, CITY shall have the right to terminate the AGREEMENT and to reenter and repossess said land and the facilities thereon and hold the same as if said AGREEMENT had never been executed.
3. In addition, CONCESSIONAIRE, during the term of the AGREEMENT, agrees not to unjustly discriminate in its employment practices against any employee or applicant for employment because of the employee's or applicant's race, color, religion, national origin, ancestry, sex, age, physical disability, or sexual orientation. All subcontracts entered into by CONCESSIONAIRE shall be approved in advance by CITY and shall contain a like provision.

#### **E. Personnel**

1. **Freedom from Tuberculosis**  
For employees preparing food, and others as required by statute (reference Section 5163 of the California Public Resources Code) or directive of RAP, CONCESSIONAIRE shall provide the General Manager or its designated staff with certificates on applicable employees indicating freedom from communicable tuberculosis.
2. **Qualified Personnel**  
CONCESSIONAIRE will, in the operation of the CONCESSION, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with RAP. All such personnel, while on or about the PREMISES, shall be neat in appearance and courteous at all times and shall be appropriately attired, with badges, uniforms, or other suitable means of identification. No person employed by CONCESSIONAIRE, while on or about the PREMISES, shall be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. In the event an employee is not satisfactory pursuant to the terms of this Section, RAP may direct CONCESSIONAIRE to remove that person from the PREMISES.
3. **Concession Manager**  
CONCESSIONAIRE shall appoint, subject to written approval by the GENERAL MANAGER, which approval shall not be unreasonably withheld or delayed, a Concession Manager of CONCESSIONAIRE'S operations at the FACILITY.

Such person must be a qualified and experienced manager or supervisor of operations, vested with full power and authority to accept service of all notices provided for herein and regarding operation of the CONCESSION, including the quality and prices of goods and services, and the appearance, conduct, and demeanor of CONCESSIONAIRE'S agents, servants, and employees. The Concession Manager shall be available during regular business hours and, at all times during that person's absence, a responsible subordinate shall be in charge and available.



The Concession Manager shall devote the greater part of his or her working time and attention to the operation of the CONCESSION and shall promote, increase and develop the CONCESSION. During the days and hours established for the operation of the CONCESSION, the Concession Manager's personal attention shall not be directed toward the operation of any other business activity.

If, for reasons of ill health, incapacitation, or death, the Concession Manager becomes incapable of performing each and all terms and provisions of the AGREEMENT, CONCESSIONAIRE must immediately assign a new Concession Manager, subject to the GENERAL MANAGER's approval. If a new manager is not selected within five (5) business days, RAP may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

4. **Approval of Employees, Volunteers and Subcontractors**

RAP shall have the right to approve or disapprove all chef partners, employees, volunteers and subcontractors (including all employees and volunteers for any subcontractor) of CONCESSIONAIRE, such approval not to be unreasonably withheld or delayed. Failure of CONCESSIONAIRE to obtain RAP's written approval of all persons operating under the authority of this AGREEMENT on PREMISES shall be a material breach of this AGREEMENT. CONCESSIONAIRE shall submit a list of all persons employed by, or volunteering or subcontracting for, CONCESSIONAIRE at PREMISES to RAP prior to commencing operations pursuant to this AGREEMENT. All changes to the approved list of employees, volunteers and subcontractors shall be submitted to RAP for written approval prior to any employee, volunteer or subcontractor commencing work at the PREMISES. CONCESSIONAIRE shall not hire as an employee or volunteer, or subcontract with, any person whom RAP would be prohibited from hiring as an employee or volunteer pursuant to California Public Resources Code Section 5164 to perform work at PREMISES. CONCESSIONAIRE must have each employee, volunteer or subcontractor (including all employees or volunteers of any subcontractor) who is located on site, fingerprinted and each shall be required to fill out a form requesting the information required by Section 5164. RAP reserves the right to conduct a Department of Justice criminal background check on any such person prior to approving their employment, volunteer service or subcontract. Failure to comply with this hiring standard shall be a material breach of this AGREEMENT and CONCESSIONAIRE shall immediately remove any employee, volunteer or subcontractor from the PREMISES at RAP's instruction. In the event any employees, volunteers and/or subcontractors (including all employees and volunteers for any subcontractor) has engaged in any serious act of misconduct, including (but not limited to) an act of dishonesty, theft or misappropriation of City property, moral turpitude, insubordination, or any act injuring, abusing, or endangering others, CONCESSIONAIRE shall immediately remove such employee, volunteers and/or subcontractors from the PREMISES at RAP's instruction. In the event any principal or owner of CONCESSIONAIRE has engaged in any serious act of misconduct, including (but not limited to) an act of dishonesty, theft or misappropriation of City property, moral turpitude, insubordination, or any act injuring, abusing, or endangering others, such actions shall not be deemed a material breach of this AGREEMENT by the CONCESSIONAIRE until CONCESSIONAIRE has first received written notice from RAP of the alleged serious act of misconduct perpetrated by such principal or owner and CONCESSIONAIRE has thereafter had an opportunity to remove such principal or owner from the entity constituting CONCESSIONAIRE pursuant to CONCESSIONAIRE'S procedures for removal of a member in accordance with its organizational documents along with removal of such principal or owner from the

Premises, if applicable. In the event CONCESSIONAIRE has not removed the principal or owner within thirty (30) calendar days after receiving the written notice described above, CITY shall have the right to terminate this AGREEMENT pursuant to such breach.

**F. Menu and Pricing**

1. CONCESSIONAIRE shall propose various food and beverage themes, menus and concepts for the café, restaurant, beer garden and rooftop bar at the PREMISES ("F&B Concept"). CONCESSIONAIRE agrees and acknowledges that RAP has not agreed to any particular F&B Concept as of the execution of this AGREEMENT and that any F&B Concept adopted for the PREMISES shall require the written approval of RAP prior to implementation. RAP reserves the right to request any changes or modifications to any F&B Concept proposed by CONCESSIONAIRE prior to its final implementation, including requesting different restaurant themes, concepts and menus, and CONCESSIONAIRE shall work in good faith to comply and implement such changes or modifications as part of the final implementation of any F&B Concept without any penalty or additional charges to RAP. Any change to an F&B Concept previously approved by RAP shall require the additional written approval of RAP for such change.
2. All CONCESSIONAIRE'S menu items, including its price for same, shall require written approval by RAP prior to implementation. Such approval shall not be unreasonably withheld and shall take into account the business considerations presented by CONCESSIONAIRE. All prices shall be comparable to prices charged in similar establishments in the City. Any changes to CONCESSIONAIRE'S menu items, including its price for same, which have been previously approved by RAP, shall require the prior written approval of RAP.
3. All menu items and service, offered for sale and/or sold by CONCESSIONAIRE in said PREMISES must be related to the ordinary business of the CONCESSION.
4. CONCESSIONAIRE shall offer for sale to the public a full range of freshly prepared food items, pre-prepared and packaged items and beverages. Such items are subject to change with prior written approval from the GENERAL MANAGER or his/her designee as set forth in paragraph 2 above.
5. CONCESSIONAIRE shall offer for sale to the public a variety of healthy choice options for food and beverages. This includes the availability of fresh fruits and fresh vegetables, bottled water, 100% juice, beverages that contain at least 50% fruit juice with no added sweeteners, and providing healthy snacks as defined by the California Education Code (Part 27, Chapter 9, Article 2.5, Section 49431(a), Subsections 2 and 3). Additionally, CONCESSION menu at the first floor café and second floor restaurant shall include a vegan entrée offering. CONCESSIONAIRE expressly agrees to comply with all CITY and RAP food programs.
6. CONCESSIONAIRE shall not use artificial trans-fat (e.g., industrially created partial hydrogenation plant oils) in the preparation of food products. All prepared food items are to be free of artificial trans-fat. CONCESSIONAIRE shall attempt to use only artificial trans-fat free prepackaged food items.
7. CONCESSIONAIRE will implement a plan based on the Good Food Purchasing

Program from the Los Angeles Food Policy Council as approved by RAP and shall comply with the terms of the Good Food Purchasing Program (Exhibit C). All food/beverage subcontractors selected by CONCESSIONAIRE shall be subject to the approval of GENERAL MANAGER.

8. All menu items sold or kept for sale by CONCESSIONAIRE shall be of first class high quality and acceptable to all industry standards and conform to all federal, state, and municipal laws, ordinances, and regulations in every respect. No imitation, adulterated, misbranded, or impure articles shall be sold or kept for sale by CONCESSIONAIRE and all edible merchandise kept on hand shall be stored and with due regard for sanitation.

In addition, no substitutes, fillers, dilutants, nor reduction in size of standard manufactured or processed food products will be permitted. All menu items kept for sale by CONCESSIONAIRE shall be subject to the approval or rejection of GENERAL MANAGER, and CONCESSIONAIRE shall remove from the PREMISES any article, which may be rejected and shall not offer it for sale without the consent of GENERAL MANAGER. GENERAL MANAGER may order the improvement of the quality of any merchandise kept or offered for sale.

9. CONCESSIONAIRE shall minimize the use of paper and plastic items (straw wrappers, serving cartons, etc.) distributed with take-out CONCESSION products. CONCESSIONAIRE shall be prohibited from selling merchandise in non-recyclable bottles, and shall not dispense take-out food or beverage items in glass or Expanded Polystyrene (EPS) / Styrofoam containers. The sale of individual plastic bottled water is prohibited. CONCESSIONAIRE shall not sell or give away or otherwise dispose of any commodity which, in the opinion of GENERAL MANAGER, will cause undue litter or, in the reasonable opinion of GENERAL MANAGER, negatively impact the environment. CONCESSIONAIRE expressly agrees to comply with all RAP and CITY recycling/sustainability programs and policies, including those regarding plastic straws and single-use plastic.

**G. Diversion of Business**

CONCESSIONAIRE shall not divert, cause, allow, or permit to be diverted any business from the PREMISES and shall take all reasonable measures, in every proper manner, to develop, maintain, and increase the business conducted by it under this AGREEMENT.

**H. Equipment, Furnishings, and Expendables**

All equipment, furnishings, and expendables required for said CONCESSION shall be purchased and installed by CONCESSIONAIRE at its sole expense and shall become the property of RAP upon termination of this AGREEMENT.

Upon termination of the AGREEMENT, CONCESSIONAIRE shall have the right to remove its own personal property, but not improvements or RAP property - from the PREMISES and shall be allowed a period of seven (7) calendar days to complete such removal. If not removed within that period, said personal property shall become the property of RAP.

**I. Maintenance of Equipment**

CONCESSIONAIRE shall, at all times and at its expense, keep and maintain all equipment, whether owned and/or installed by CONCESSIONAIRE or RAP, such as, but not limited to, heat exchangers, fans, controls and electric panels, installed by RAP, together with all of the

fixtures, plate and mirror glass, appliances, countertops and kitchen cabinetry, indoor and outdoor furniture and personal property therein, in good repair and in a clean, sanitary, and orderly condition and appearance. RAP will be responsible for installing and maintaining utility lines, including telephone lines, exterior to the PREMISES.

All maintenance, repairs and replacement of all equipment shall be performed at the sole expense of CONCESSIONAIRE.

**J. Claims for Labor and Materials**

The CONCESSIONAIRE shall promptly pay when due all amounts payable for labor and materials furnished in the performance of the AGREEMENT so as to prevent any lien or other claim under any provision of law from arising against RAP property (including reports, documents, and other tangible matter produced by CONCESSIONAIRE hereunder), against CONCESSIONAIRE's rights hereunder, or against RAP, and shall pay all amounts due under the California Unemployment Insurance Code with respect to such labor.

**K. Signs and Advertisements**

CONCESSIONAIRE shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever upon any portion of RAP property without the prior written approval from the GENERAL MANAGER, who may require the removal or refurbishment of any sign previously approved. Certain signs and advertisements may also require the prior written approval of other appropriate agencies.

CONCESSIONAIRE shall place a public notice that CONCESSIONAIRE operates the CONCESSION. The address and phone number of CONCESSIONAIRE will be shown along with the notation that all complaints should be referred directly to CONCESSIONAIRE.

At FACILITY, CONCESSIONAIRE shall provide the following credit, or as proportions of signage allow, similar credit as approved by RAP in writing:

"In Collaboration with the City of Los Angeles Department of Recreation and Parks."

Upon expiration or termination of this AGREEMENT, CONCESSIONAIRE shall, at its own expense, remove or paint out, as RAP may direct, any and all of its signs and displays on the PREMISES and in connection therewith, and shall restore said PREMISES and improvements thereto to substantially the same condition as prior to the placement of any such signs or displays.

RAP may, at its discretion, install umbrellas or canopy shade structures bearing the City's or RAP logo. Said umbrellas or canopy shade structures shall be provided by RAP at no cost to CONCESSIONAIRE. RAP-issued umbrellas and/or canopy shade structures shall remain City property and shall be returned to RAP upon the expiration or earlier termination of this CONCESSION.

**L. Utilities**

CONCESSIONAIRE shall be responsible for utility charges associated with the CONCESSION. Charges may include, but are not limited to, deposits, installation costs, meter deposits, and all service charges for gas, electricity, heat, air-conditioning, and other utility services to PREMISES, and shall be paid by CONCESSIONAIRE regardless of whether such utility services are furnished by CITY or by other utility service providers. CONCESSIONAIRE will pay directly for gas, electrical, telephone, and internet/Wi-Fi services, which will be in the name of CONCESSIONAIRE. CONCESSIONAIRE must install

electrical sub-meters, if necessary.

CONCESSIONAIRE hereby expressly waives all claims for compensation, or for any diminution or abatement of the rental payment provided for herein, for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, or wires furnished to the PREMISES which may occur from time to time and from any cause or from any loss resulting from water, earthquake, wind, civil commotion, or riot; and CONCESSIONAIRE hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforesaid causes.

In all instances where damage to any utility service line is caused by CONCESSIONAIRE, its employees, contractors, sub-contractors, suppliers, agents, or invitees, CONCESSIONAIRE shall be responsible for the cost of repairs and any and all damages occasioned thereby.

Water and electricity shall be utilized by CONCESSIONAIRE in the most efficient manner possible, and CONCESSIONAIRE expressly agrees to comply with all CITY water conservation programs. At the discretion of the GENERAL MANAGER, RAP may require CONCESSIONAIRE to establish recyclables collection and/or implement additional waste diversion strategies within the PREMISES.

CONCESSIONAIRE shall reimburse RAP if any utility charges are paid by RAP.

**M. Vending Machines and Food Carts**

CONCESSIONAIRE shall not install, or allow to be installed, any vending machines, electronic games, or other coin-operated machines without prior written approval of RAP. RAP shall have the right to order the immediate removal of any unauthorized machines.

RAP may consider a request from CONCESSIONAIRE to install vending machines; and/or may order the installation of vending machines to increase service at the FACILITY at RAP's sole discretion. If installed, gross receipts from vending machine service are subject to Section 8 "Minimum Annual Guarantee and Monthly Rental Payment" terms and conditions.

For the avoidance of doubt, upon written approval of the GENERAL MANAGER, CONCESSIONAIRE may provide mobile carts for food and beverage and/or retail service and delivery service of food and beverages from the main restaurant. The CONCESSIONAIRE shall be responsible for the storage and maintenance of the mobile food carts, including the cost for all operations and approvals, permitting, and licensing.

**N. Safety**

CONCESSIONAIRE shall correct safety deficiencies, and violations of safety practices on the Premises, immediately after the condition becomes known or RAP notifies CONCESSIONAIRE of said condition. CONCESSIONAIRE shall cooperate fully with RAP in the investigation of accidents occurring on the PREMISES. In the event of injury to a patron or customer, CONCESSIONAIRE shall reasonably ensure that the injured person receives prompt and qualified medical attention, and as soon as possible thereafter, CONCESSIONAIRE shall submit a CITY Form General No. 87 "Non-Employee Accident or Illness Report" (Exhibit D) - (see SECTION 21, "NOTICES," for mailing address). If CONCESSIONAIRE fails to correct hazardous conditions specified by RAP in a written notice, which have led, or in the opinion of RAP could lead, to injury, RAP may, in addition to all other remedies which may be available to RAP and upon prior notice to CONCESSIONAIRE, repair, replace, rebuild, redecorate, or paint any such PREMISES to correct the specified hazardous

conditions, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to RAP on demand.

**O. Environmental Sensitivity**

CONCESSIONAIRE must operate the CONCESSION in an environmentally sensitive manner and all operations must comply with RAP policies regarding protection of the environment. CONCESSIONAIRE shall not use or allow the use on the PREMISES of environmentally unsafe products.

**P. Fund Raising Activities**

CONCESSIONAIRE is expected to cooperate with RAP personnel on all matters relative to fund-raising and/or special events at the discretion of RAP.

**Q. Community Outreach**

CONCESSIONAIRE shall coordinate and cooperate with RAP to develop strategies to outreach to all members of the community, particularly those living in low-to-moderate income areas, fixed-income households, youth, the disabled, etc., to provide its services to these members of the community who may not otherwise have the opportunity to partake in the services provided by CONCESSIONAIRE.

**R. Amplified Sound**

No amplified sound is permitted by CONCESSIONAIRE, without prior approval from GENERAL MANAGER.

**S. Security**

CONCESSIONAIRE shall be responsible for security of the interior of the PREMISES and the exterior at the beer garden and rooftop. CONCESSIONAIRE may install equipment, approved by RAP, which will assist in protecting the PREMISES from theft, burglary, or vandalism. Any such equipment must be purchased, installed, and maintained by CONCESSIONAIRE.

**T. Quiet Enjoyment**

CITY agrees that CONCESSIONAIRE, upon payment of the fees and charges specified herein, and all other charges and payments to be paid by CONCESSIONAIRE under the terms of this AGREEMENT, and upon observing and keeping the required terms, conditions and covenants of this AGREEMENT, shall lawfully and quietly hold, use and enjoy the PREMISES during the term of this AGREEMENT. In the case of disputes, during the life of the AGREEMENT, over any conditions which may impede upon CONCESSIONAIRE's quiet enjoyment of the PREMISES, RAP shall have final determination, which shall be reasonable, of any solution to such dispute; RAP's final reasonable determination shall be binding upon all parties in such dispute.

**U. Receipts**

1. CONCESSIONAIRE shall offer receipts to customers for every transaction.
2. CONCESSIONAIRE shall at all times place a sign within twelve (12) inches of any cash register, in clear view to the public, and in minimum one-inch lettering, which states: "If a receipt is not provided for this transaction, please contact the Department of Recreation and Parks - Concessions Unit (213) 202-3280."

**V. Deliveries**



CONCESSIONAIRE may utilize the loading dock and access driveway of the PREMISES at CONCESSIONAIRE'S convenience strictly for the purposes of operating the CONCESSION under this AGREEMENT and in a safe, reasonable manner at all times of use. However, RAP reserves the right to stipulate hours for deliveries and location for staging deliveries and CONCESSIONAIRE shall use the loading dock and driveway in accordance with such stipulations.

**W. Parking**

GENERAL MANAGER reserves the right to require CONCESSIONAIRE to provide valet parking during peak hours and/or select days/hours. Such requirement shall be made in writing to CONCESSIONAIRE. CONCESSIONAIRE shall be responsible for all costs associated with the valet service. Prices charged for any such valet service shall be subject the prior written approval of RAP in its reasonable discretion prior to implementation. Days and hours on which CONCESSIONARE shall provide valet parking will be determined based on sales activity of the PREMISES and in the reasonable discretion of the GENERAL MANAGER. The location of the valet shall be on Broadway directly north of the FACILITY.

**SECTION 6. CAPITAL IMPROVEMENTS, EQUIPMENT, AND ONGOING REFURBISHMENT**

CONCESSIONAIRE estimates, in good faith, that it will expend the following amounts for capital improvements at the PREMISES, as more fully set forth in Exhibit L of this AGREEMENT (the "Development Project"):

|   |                    |
|---|--------------------|
| <i>First Floor Café and Beer Garden</i> | \$2,424,500        |
| <i>Second Floor Restaurant</i>          | \$3,168,750        |
| <i>Rooftop Bar &amp; Lounge</i>         | \$1,976,000        |
| <b>TOTAL</b>                            | <b>\$7,569,250</b> |

Of the \$7,569,250 estimated expenditure, CONCESSIONARE must expend a minimum of \$5,500,000 on the CONCESSION Development Project ("Minimum Capital Investment") or the CONCESSIONAIRE will pay the unspent difference to RAP. In the event that the Minimum Capital Investment is not sufficient to complete the Development Project as described in Exhibit L (Capital Improvements Scope of Work), CONCESSIONAIRE shall be responsible for any additional costs and expenditures necessary to complete the Development Project as set forth in Exhibit L hereto. Paid invoices by CONCESSIONAIRE for the Development Project shall be submitted to RAP at the completion of the Development Project for verification.

CONCESSIONAIRE shall not incur any expenses for the design of this Development Project until such time the GENERAL MANAGER notifies CONCESSIONAIRE to commence design of the Development Project.

CONCESSIONAIRE shall complete the Development Project as described in Exhibit L, as may be further refined and approved by City (which may include any changes or modifications to any F&B Concept), within one year from the PT COMMENCEMENT DATE as set forth in Section 4 of this Agreement.

In the event that CONCESSIONAIRE becomes aware that it will be unable to complete the Development Project within the one year period set forth above due to the unforeseen delay of the completion of the FACILITY buildout or any other circumstances beyond the control of

CONCESSIONAIRE that delay the timely completion of the Development Project, CONCESSIONAIRE shall promptly notify the CITY in writing of such anticipated delay and the parties shall negotiate a reasonable extension of time beyond the one year period during which CONCESSIONAIRE shall complete the Development Project. During any such period, the MAG shall continue to be suspended, CONCESSIONAIRE shall not be deemed to be in default or breach for failure to complete the Development Project, and, if agreed by the CITY, any penalties for failure to complete the Development Project due to such unforeseen delay during such one-year period shall be waived.

#### **A. Capital Improvements**

CONCESSIONAIRE shall undertake and complete the capital improvements set forth in Exhibit L hereto, which is incorporated herein by this reference, as part of the Development Project, which shall include, without limitation, the following:

- Design and construction of the first floor café, including back of house and front of house
- Design and construction of first floor beer garden
- Design and construction of second floor restaurant, including back of house and front of house
- Design and construction of rooftop bar and lounge
- If necessary for direct billing, install an electrical sub-meter
- Provision of Wi-Fi (up to 80% of the maximum capacity of customers will be able to access Wi-Fi simultaneously with a concurrent download speed of 5 megabits per second)

RAP shall hold CONCESSIONAIRE responsible for guaranteeing the completion of all improvements in the Development Project, or substitutions permitted by RAP, according to approved plans, regardless of cost. RAP will approve all design and construction plans and drawings prior to commencement of any work at the PREMISES. CONCESSIONAIRE shall bear all costs for all necessary permits, insurance, and taxes required for compliance of such improvements. Any breach of this condition for Development Project improvements shall be a material breach of this AGREEMENT. RAP reserves the right to recover damages from CONCESSIONAIRE if the improvements are not completed, not completed as stipulated, or not completed to the reasonable satisfaction of RAP pursuant to the approved plans. Such damages may include, but are not limited to, recovering up to the entire cost of the improvements from CONCESSIONAIRE's performance deposit. The performance deposit must be recompensed as stipulated in Section 14, "Performance Deposit," herein. Failure to complete the required improvements within the time frame specified in the written approval, or as prescribed by RAP pursuant to the terms of this AGREEMENT, are subject to a penalty of One Hundred Dollars (\$100.00) per day for each calendar day over the appropriate time limit. At the conclusion of each improvement, CONCESSIONAIRE shall submit proof of project completion to RAP. At that point, RAP will inspect the submitted improvement to confirm completion. All improvements shall become the property of RAP. Additionally, if the value of all completed required and optional improvements is less than the Minimum Capital Investment, CONCESSIONAIRE will be responsible to RAP for payment of the difference within thirty (30) days of written notification.

Subject to Section 5.T., RAP reserves the right to further develop or improve the FACILITY and the PREMISES as it sees fit, and without interference or hindrance by CONCESSIONAIRE. Such development or improvement may require the suspension or termination of the AGREEMENT. RAP shall not be liable for loss of business which results from the construction of any development or improvements to the FACILITY or the PREMISES.

Improvements by CONCESSIONAIRE to the PREMISES are subject to:



**1. Compliance with Applicable Rules and Regulations**

All structural or other improvements, equipment and interior design and decor constructed or installed by CONCESSIONAIRE, including the plans and specifications therefore, shall in all respects conform to and comply with the applicable statutes (including the California Environmental Quality Act), ordinances (including those regarding historic and cultural monuments), building codes, rules, and regulations of CITY and such other authorities that may have jurisdiction over the facility areas or CONCESSIONAIRE'S operations therein. The written approval by RAP of any improvements as provided above shall not constitute a representation or warranty as to such conformity or compliance, but responsibility therefore shall at all times remain with CONCESSIONAIRE.

**2. Procurement of Permits and Approvals**

CONCESSIONAIRE shall, at its sole expense, and prior to construction of any improvements, procure all building, fire, safety, aesthetic, environmental, and other permits and approvals necessary for the construction of the structural and other improvements, installation of equipment, and interior design and decor. Copies of all said permits and approvals shall thereafter be submitted to RAP. No permission to begin said improvements shall be granted by RAP prior to CONCESSIONAIRE's obtaining of said permits and approvals.

**3. Subcontractors**

CONCESSIONAIRE shall require by any contract that it awards in connection with structural or other improvements, the installation of any and all equipment, and the interior designing and decor, that the contractor doing, performing or furnishing the same shall comply with all applicable statutes, ordinances, codes, rules and regulations, and submit to RAP evidence of required insurance coverage.

**B. Equipment Investments**

CONCESSIONAIRE shall purchase new equipment valued at approximately \$925,000. All new equipment which includes kitchen equipment, furniture, audio visual/security equipment, signage on building, or substitutions permitted by RAP, shall become the property of RAP and CONCESSIONAIRE shall ensure that title to all such new equipment shall be vested in RAP.

**C. Ongoing Refurbishment**

CONCESSIONAIRE shall perform annually maintenance and repair to the CONCESSION and equipment (including any improvements thereto, including the Development Project improvements), regardless if equipment is City-owned or property of CONCESSIONAIRE, during the term of the AGREEMENT in order to maintain operations in a safe, clean, attractive environment.

RAP shall have reasonable discretion to schedule/order refurbishments with CONCESSIONAIRE upon inspection of the PREMISES.

**SECTION 7. HOURS / DAYS OF OPERATION**

The CONCESSIONAIRE must operate the CONCESSION 365 days a year. CONCESSIONAIRE shall coordinate hours of operation with RAP to coincide with park hours for the FACILITY. For the avoidance of doubt, if the FACILITY is closed, the CONCESSION may be closed accordingly.

Minimum hours of operations of the first floor café are 7:00 a.m. until 5:00 p.m. Monday through Friday and 8:00 a.m. until 5:00 p.m. on Saturday and Sunday. In order to maximize efficiency and best serve the public, hours for the other CONCESSION points of sale may be set by CONCESSIONAIRE, subject to RAP approval.

Any deviation from the hours specified shall be subject to prior written approval of GENERAL MANAGER.

CONCESSIONAIRE must post the hours of operation in a location visible to the public, and must be open for business during the hours posted. Hours of operation may not be changed without prior written approval of GENERAL MANAGER. Any deviation from such days and hours shall be subject to the prior written approval of GENERAL MANAGER.

## **SECTION 8. MINIMUM ANNUAL GUARANTEE AND MONTHLY RENTAL PAYMENT**

### **A. Minimum Annual Guarantee**

The Minimum Annual Guarantee (MAG) for years one, two and three of the PRIMARY TERM of this AGREEMENT, which is the 36-month period commencing on the PT COMMENCEMENT DATE, is Two Hundred Thousand Dollars (\$200,000) ("TIER ONE MAG") per year; equaling Sixteen Thousand, Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$16,666.66) per month, provided, however, that the TIER ONE MAG shall be suspended and not apply during the months of the first year of PRIMARY TERM of this AGREEMENT when CONCESSIONAIRE is undertaking to complete the Development Project improvements. During the time the TIER ONE MAG is suspended, if any sales are made by CONCESSIONAIRE on the PREMISES or the FACILITY, from temporary or mobile units or otherwise, CONCESSIONAIRE shall be responsible for monthly rental payments based on the percentage of gross receipts as set forth in Section 8.B. below.

In the event CONCESSIONAIRE completes the Development Project improvements prior to the end of the first year of the PRIMARY TERM of this AGREEMENT, which completion shall be evidenced by the issuance of a Certificate of Occupancy (or the legal equivalent thereof) by the CITY or other appropriate governmental authority and CONCESSIONAIRE has commenced permanent operations on any portion of the PREMISES, the TIER ONE MAG shall be reinstated and apply on a pro-rated basis for the remaining months of the first year of this AGREEMENT. In no event shall the TIER ONE MAG be suspended for longer than the first year of the PRIMARY TERM of this AGREEMENT, except as specifically provided in Section 6.

The MAG for each of years four through fifteen ("TIER TWO MAG") is the greater of One Hundred Three Percent (103%) of the previous year's MAG or Ninety Percent (90%) of the actual paid rent for the previous contract year. For avoidance of doubt, the MAG for year four of this AGREEMENT shall be the greater of 103% of the previous year's MAG of \$200,000 (regardless of whether the TIER ONE MAG has been suspended for any portion of the third year of this AGREEMENT) or Ninety Percent (90%) of the actual paid rent for the third year of this AGREEMENT. Each subsequent year's MAG shall be determined at the conclusion of the previous contract year.

If the Extension Option is exercised by RAP, MAG for years sixteen (16) through twenty (20) shall be negotiated pursuant to Section 4.

**B. Rental Payment Calculation**

As part of the consideration for RAP's granting the CONCESSION rights herein above set forth, CONCESSIONAIRE shall pay to RAP a monthly rental payment as follows:

The greater of:

- One-twelfth of the MAG, provided, however that the TIER ONE MAG shall not apply during certain portions of the first year of this AGREEMENT as provided in Section 8.A. above.

or

- Six percent (6%) of gross receipts on all sales of food and non-alcoholic beverages; twelve percent (12%) on gross receipts of all sales on alcohol; twenty percent (20%) on gross receipts of all Special Events; and six percent (6%) on gross receipts of all vending machine sales

Refer to SECTION 8.D for the definition of "Gross Receipts."

**C. Payment Due**

Said payment shall be due and payable (postmarked) by the fifteenth day of each calendar month based on the gross receipts received in each previous month. The payment and Monthly Revenue Report (Exhibit E) shall be addressed to:

CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS  
ATTENTION: Concessions Division  
P. O. Box 86328  
Los Angeles, CA 90086

**D. Gross Receipts Defined**

The term "gross receipts" is defined as the total amount charged for the sale of any goods or services (whether or not such services are performed as a part of or in connection with the sale of goods) provided in connection with this CONCESSION, but not including any of the following:

1. Cash discounts allowed or taken on sales;
2. Any sales tax, use tax, or excise tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser and paid by CONCESSIONAIRE;
3. Receipts from the sale of waste or scrap materials resulting from the CONCESSION operation;
4. Receipts from the sale of or the trade-in value of any furniture, fixtures, or equipment used in connection with the CONCESSION, and owned by CONCESSIONAIRE;
5. The value of any merchandise, supplies, or equipment exchanged or transferred from or to other business locations of CONCESSIONAIRE where such exchanges or transfers are not made for the purpose of avoiding a sale by CONCESSIONAIRE which would otherwise be made from or at the CONCESSION;

6. Refunds from, or the value of, merchandise, supplies, or equipment returned to shippers, suppliers, or manufacturers;
7. Receipts from the sale at cost of uniforms, clothing, or supplies to CONCESSIONAIRE'S employees where such uniforms, clothing, or supplies are required to be worn or used by said employees;
8. Receipts from any sale where the subject of such sale, or some part thereof, is thereafter returned by the purchaser to and accepted by CONCESSIONAIRE, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit;
9. Fair market trade-in allowance, in the event merchandise is taken in trade;
10. The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers; and
11. Discounts or surcharges applied to receipts for services or merchandise, with the concurrence of both CONCESSIONAIRE and RAP, including discounts to employees, if concurred by RAP.

CONCESSIONAIRE shall not reduce or increase the amount of gross receipts, as herein defined, as a result of any of the following:

12. Any error in cash handling by CONCESSIONAIRE or CONCESSIONAIRE's employees or agents;
13. Any losses resulting from bad checks received from consumers or purchasers; or from dishonored credit, charge, or debit card payments; or any other dishonored payment to CONCESSIONAIRE by customer or purchaser; and
14. Any arrangement for a rebate, kickback, or hidden credit given or allowed to customer.

**E. Monthly Revenue Reports**

CONCESSIONAIRE shall transmit with each payment a Monthly Revenue Report (Exhibit E) for the month for which a payment is submitted.

**F. Late Payment Fee**

Failure of CONCESSIONAIRE to timely pay any of the monthly rental payment or any other fees, charges, or payments required herein is a breach of the AGREEMENT for which RAP may terminate same or take such other legal action as it deems necessary, provided that RAP shall not terminate or take such other legal action until RAP has first provided CONCESSIONAIRE with written notice of such non-payment and CONCESSIONAIRE has had a period of thirty (30) days from receipt thereof to cure such non-payment, pursuant to Section 20 hereof.

Without waiving any rights available at law, in equity or under the AGREEMENT, in the event of late or delinquent payments by CONCESSIONAIRE, the latter recognizes that RAP will incur certain expenses as a result thereof, the amount of which is difficult to ascertain. Therefore, in addition to monies owing, CONCESSIONAIRE agrees to pay RAP a late fee set forth below to compensate RAP for all expenses and/or damages and loss resulting from said late or delinquent payments.

The charges for late or delinquent payments shall be One Hundred Fifty Dollars (\$150.00) for each month late plus interest calculated at the rate of eighteen percent (18%) per annum, but in no event higher than the maximum rate allowed by law, assessed monthly, on the balance of the unpaid amount. Payments shall be considered past due if postmarked after the fifteenth (15th) day of the month in which payment is due.

The acceptance of late payments by RAP shall not be deemed as a waiver of any other breach by CONCESSIONAIRE of any term or condition of this AGREEMENT other than the failure of CONCESSIONAIRE to timely make the particular payment so accepted.

- G. Compliance with Identity Theft Laws and Payment Card Data Security Standards**  
CONCESSIONAIRE agrees to comply with all Identity Theft Laws including without limitation, Laws related to: 1) Payment Devices; 2) Credit and Debit Card Fraud; and 3) the Fair and Accurate Credit Transactions Act (FACTA), including its requirement relating to the content of Transaction Receipts provided to Customers. CONCESSIONAIRE also agrees to comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (PCI DSS). During the performance of any service to replace, install, program or update Payment Devices equipped to conduct Credit or Debit Card transactions, including PCI DSS services, CONCESSIONAIRE agrees to verify proper truncation of receipts in compliance with FACTA. CONCESSIONAIRE understands that failure to ensure proper truncation will result in the imposition of liability and defense costs that may arise out of consequent litigation.

## **SECTION 9. ADDITIONAL FEES AND CHARGES**

- A.** If RAP pays any sum or incurs any obligations or expense, for which CONCESSIONAIRE has agreed to pay or reimburse RAP, or if RAP is required or elects to pay any sum or to incur any obligations or expense by reason of the failure, neglect, or refusal of CONCESSIONAIRE to perform or fulfill any one or more of the conditions, covenants, or agreements contained in the AGREEMENT, or as a result of an act or omission of CONCESSIONAIRE contrary to said conditions, covenants, and agreements, CONCESSIONAIRE agrees to pay RAP the sum so paid or the expense so incurred, including all interest, costs, (including RAP'S fifteen percent (15%) administrative overhead cost), damages, and penalties. This amount shall be added to the rental payment thereafter due hereunder, and each and every part of the same shall be and become additional rental payment, recoverable by RAP in the same manner and with like remedies as if it were originally a part of the basic rental payment set forth in Section 8 hereof.
- B.** For all purposes under this Section, and in any suit, action, or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum by RAP for any work done or material furnished shall be prima facie evidence against CONCESSIONAIRE that the amount of such payment was necessary and reasonable. Should RAP elect to use its own personnel in making any repairs, replacements, and/or alterations, and to charge CONCESSIONAIRE with the cost of same, receipts and timesheets will be used to establish the charges, which shall be presumed to be reasonable in absence of contrary proof submitted by CONCESSIONAIRE.
- C.** Use of the PREMISES for purposes not expressly permitted herein, whether approved in writing by RAP or not, may result in additional charges; however, any such use without the prior written approval of RAP shall also constitute a material breach of AGREEMENT and is prohibited.

## **SECTION 10. INSURANCE**

CONCESSIONAIRE shall follow insurance guidelines in the STANDARD PROVISIONS (Exhibit A); provide and maintain the Required Insurance and Minimum Limits (Exhibit F); and follow the Instructions and Information on Complying with City Insurance Requirements (Exhibit F).

## **SECTION 11. MAINTENANCE OF PREMISES**

During all periods that the PREMISES are used or are under the control of CONCESSIONAIRE for the uses, purposes, and occupancy aforesaid, CONCESSIONAIRE shall be responsible for all necessary janitorial duties and damage/maintenance repairs, to the satisfaction of RAP. The cause of said maintenance, cleaning and repairs may result from normal wear and tear, as well as vandalism.

### **A. Interior of Premises**

#### **1. Areas to be maintained by CONCESSIONAIRE:**

CONCESSIONAIRE shall, at its own expense, keep and maintain all the interior walls and surfaces of PREMISES and all improvements, fixtures, and utility systems which may now or hereafter exist thereon, whether installed by RAP or CONCESSIONAIRE. Improvements shall include all buildings and appurtenances recessed into or attached by any method to the ground or to another object which is recessed or attached to the ground or to other CITY-owned facilities (such as buildings, fences, posts, signs, electrical hook-ups, plumbing, tracks, tanks, etc.).

CONCESSIONAIRE shall provide all maintenance, repair, and service required on all interior areas, surfaces, and equipment used in the PREMISES and keep such equipment in good repair and in a clean and orderly condition and appearance. CONCESSIONAIRE shall also be responsible for electrical, mechanical, and plumbing maintenance in the interior of the PREMISES, such as lighting fixtures, sinks, and faucets; however, CITY shall be responsible for maintenance of utility lines and drains within the walls and floors of the concession PREMISES. Insofar as sanitation and appearance of the PREMISES is concerned, RAP may direct CONCESSIONAIRE to perform necessary repairs and maintenance to the interior of the structure or to the equipment, whether the equipment is CONCESSIONAIRE or RAP property.

CONCESSIONAIRE shall keep all restrooms clean and stocked.

#### **2. Duties:**

CONCESSIONAIRE'S maintenance duties shall include all sweeping, washing, servicing, repairing, replacing, cleaning, and interior painting that may be required to properly maintain the PREMISES in a safe, clean, operable, and attractive condition. CONCESSIONAIRE shall provide for such repairs, replacements, rebuilding, and restoration as may be required by or given prior written approval by RAP to comply with the requirements hereof. Those duties shall also include electrical, mechanical, and plumbing maintenance in the interior of the premises, such as light fixtures, toilets, and faucets.

### **B. Exterior of Premises and Common Passageways**

RAP shall maintain the exterior of all buildings and will endeavor to perform all exterior repairs occasioned by normal wear and tear, and the elements, unless otherwise provided for in the AGREEMENT, provided, however that such maintenance obligations shall not include the



maintenance of the beer garden and rooftop areas. Common passageways leading to other CONCESSION facilities or offices maintained by RAP which also lead to the PREMISES shall not be considered under the control of CONCESSIONAIRE for purposes of this Section. In addition, RAP shall be responsible for maintenance of the lawn area within the perimeter of the PREMISES, including mowing and watering, and shall maintain all existing landscaping, trees, and bushes on the PREMISES. CITY shall also maintain the existing water, drain and sewer systems, provided, however, that CONCESSIONAIRE shall make every effort not to clog such systems with debris from all operations.

**C. Correction of Conditions Leading to Damage**

If CONCESSIONAIRE fails, after written notice, to correct such conditions which have led or, in the opinion of RAP, could lead to significant damage to CITY property, RAP may at its option, and in addition to all other remedies which may be available to it, repair, replace, rebuild, redecorate or paint any such PREMISES included in said notice, with the cost thereof, plus fifteen percent (15%) for administrative overhead, to be paid by CONCESSIONAIRE to RAP on demand. If, for any reason, payment of such fees becomes delinquent, RAP may, in its sole discretion, suspend the AGREEMENT and all terms and conditions contained therein.

**D. Property Damage and Theft Reporting**

CONCESSIONAIRE shall complete and submit to RAP a "Special Occurrence and Loss Report," (Exhibit G) in the event that the PREMISES and/or CITY-owned property is damaged or destroyed, in whole or in part, from any cause whatsoever, and in the event of theft, burglary, or other crime committed on the PREMISES. Blank forms for this purpose shall be provided by RAP.

**E. Damage or Destruction to Premises**

**1. Partial Damage**

If all or a portion of the PREMISES are partially damaged by fire, explosion, flooding inundation, floods, the elements, public enemy, or other casualty, but not rendered uninhabitable, the same will be repaired with due diligence by RAP at its own cost and expense, subject to the limitations as hereinafter provided and to the extent not insured by CONCESSIONAIRE; if said damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, CONCESSIONAIRE shall be responsible for reimbursing RAP for the cost and expense incurred in making such repairs.

**2. Extensive Damage**

If the damages as described above in "Partial Damage" are so extensive as to render the PREMISES or a portion thereof uninhabitable, but are capable of being repaired within a reasonable time not to exceed sixty (60) days, the same shall be repaired with due diligence by RAP at its own cost and expense, subject to the limitations as hereinafter provided and to the extent not insured by CONCESSIONAIRE, and a negotiated portion of the fees and charges payable hereunder shall abate from the time of such damage until such time as the PREMISES are fully restored and certified by RAP as again ready for use; provided, however, that if such damage is caused by the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges will not abate and CONCESSIONAIRE shall be responsible for the cost and expenses incurred in making such repairs.



3. **Complete Destruction**

In the event all or a substantial portion of the PREMISES are completely destroyed by fire, explosion, the elements, public enemy, or other casualty, or are so damaged that they are uninhabitable and cannot be replaced except after more than sixty (60) days, RAP shall be under no obligation to repair, replace or reconstruct said PREMISES, and an appropriate portion of the fees and charges payable hereunder shall abate as of the time of such damage or destruction and shall henceforth cease until such time as the said PREMISES are fully restored. If within four (4) months after the time of such damage or destruction said PREMISES have not been repaired or reconstructed, CONCESSIONAIRE may terminate this AGREEMENT in its entirety as of the date of such damage or destruction. Notwithstanding the foregoing, if said PREMISES, or a substantial portion thereof, are completely destroyed as a result of the negligent acts or omissions of CONCESSIONAIRE, its agents, officers, or employees, said fees and charges shall not abate and RAP may, in its discretion, require CONCESSIONAIRE to repair and reconstruct the same within twelve (12) months of such destruction and CONCESSIONAIRE shall be responsible for reimbursing RAP for the cost and expenses incurred in making such repairs. CONCESSIONAIRE shall continue paying RAP rent as determined above during the rebuilding of the facility.

4. **Limits of RAP'S Obligation Defined**

In the application of the provisions set forth in Paragraph 1 and 2 of this Section 11.E., RAP shall be obligated to, repair or reconstruct the PREMISES, subject to the provisions set forth therein. CITY'S obligation shall also be limited to repair or reconstruction of the PREMISES to the same extent and of equal quality as obtained by CONCESSIONAIRE at the commencement of its operations hereunder. Repair of any damage covered by CONCESSIONAIRE's insurance; and redecoration and replacement of furniture, equipment, and supplies shall be the responsibility of CONCESSIONAIRE and any such repair, redecoration and refurnishing/reequipping shall be equivalent in quality to that originally installed.

F. **Pest Control**

Unless otherwise specified in the AGREEMENT, CONCESSIONAIRE shall be responsible for pest control in and around the PREMISES, including but not limited to, abatement of insects (including roaches, bees, etc.), spiders, rodents, vermin, and other nuisance pests, if the pests are found in or on structures or areas used and maintained by CONCESSIONAIRE, such as any of the following portions of the PREMISES:

Any portion of a building or enclosed structure with walls, roof, and doors, such as the restaurant, storage facilities, banquet facilities, halfway houses, offices and storage containers owned and/or used by CONCESSIONAIRE.

In the course of conducting pest control, CONCESSIONAIRE shall adhere to RAP's Integrated Pest Management (IPM) Program which emphasizes commitment to utilize the safest and least toxic means available to control harmful and unwanted pests. Use of all second generation anticoagulant rodenticides are prohibited. They are not allowed anywhere on park property, whether in or outside buildings. All anticoagulant rodenticides are known to be detrimental to wildlife but second generation rodenticides are especially detrimental to the natural order of ecosystems. Natural predators, such as hawks, owls, coyotes and bobcats feed on rodents, thus helping control rodent populations.

Efforts should be made to use mechanical or electronic traps rather than poisons. If bait boxes are used, California law mandates bait boxes be securely anchored and labeled with the agent used.

CONCESSIONAIRE shall submit a scope of work for any proposed pest management services subcontracted and shall not subcontract without prior approval of the GENERAL MANAGER. Requests for approval shall be sent to [Marty.Friedman@lacity.org](mailto:Marty.Friedman@lacity.org) with a copy to [Rachel.Ramos@lacity.org](mailto:Rachel.Ramos@lacity.org).

RAP shall be responsible for pest control if pests are found in or on structures or areas maintained by RAP, such as:

1. Open, unfenced areas such as those locations permitted for mobile food if applicable.
2. Shared spaces and other facilities occupied in part by CONCESSIONAIRE but maintained by RAP.
3. Other areas, structures, or facilities adjacent to the PREMISES, but not used by or under the control of CONCESSIONAIRE; or areas, structures, or facilities shared by CONCESSIONAIRE and RAP.

Pest control for pests which may cause permanent structural damage to RAP property (for example, termite infestation) shall be the responsibility of RAP. CONCESSIONAIRE shall take all reasonable measures to reduce the proliferation of pests, including maintaining the PREMISES clean and orderly in accordance with this Section, and keeping wood components painted. RAP may direct CONCESSIONAIRE to take additional measures to abate pests which are an immediate threat to public health or safety.

## **SECTION 12. PROHIBITED ACTS**

CONCESSIONAIRE shall not:

1. Use the PREMISES to conduct any other business operations of CONCESSIONAIRE not related to the CONCESSION.
2. Do or allow to be done anything which may interfere with the effectiveness or accessibility of utility, heating, ventilating, or air conditioning systems or portions thereof on the PREMISES or elsewhere on the FACILITY, nor do or permit to be done anything which may interfere with free access and passage in the PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining the PREMISES, or hinder police, fire fighting or other emergency personnel in the discharge of their duties;
3. Interfere with the public's enjoyment and use of the FACILITY or use of the PREMISES for any purpose which is not essential to the CONCESSION operations;
4. Rent, sell, lease or offer any space for storing of any articles whatsoever within or on the PREMISES other than specified herein, without the prior written approval of GENERAL MANAGER;
5. Overload any floor in the PREMISES;

6. Place any additional lock of any kind upon any window or interior or exterior door in the PREMISES, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefore is maintained on the PREMISES, nor refuse, upon the expiration or sooner termination of the AGREEMENT, to surrender to RAP any and all keys to the interior or exterior doors on the PREMISES, whether said keys were furnished to or otherwise procured by CONCESSIONAIRE, and in the event of the loss of any keys furnished by RAP, CONCESSIONAIRE shall pay RAP, on demand, the cost for replacement thereof;
7. Do or permit to be done any act or thing upon the PREMISES which will invalidate, suspend or increase the rate of any insurance policy required under the AGREEMENT, or carried by RAP, covering the PREMISES, or the buildings in which the same are located or which, in the opinion of RAP, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under the AGREEMENT, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
8. Use, create, store or allow any hazardous materials as defined in Title 8, Section 339 of the California Code of Regulations or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONCESSIONAIRE from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary except that all hazardous materials must be stored and used in compliance with all City, State and Federal rules, regulations, ordinances and laws;
9. Allow any sale by auction upon the PREMISES;
10. Permit undue loitering on or about the PREMISES;
11. Use the PREMISES in any manner that will constitute waste;
12. Use or allow the PREMISES to be used for, in the opinion of RAP, any improper, immoral, or unlawful purposes.

### **SECTION 13. RATIFICATION**

At the request of RAP, and because of the need therefore, CONCESSIONAIRE may have begun performance of the responsibilities herein required prior to the execution hereof. By its execution hereof, RAP hereby accepts such service subject to all the terms, covenants, and condition of this AGREEMENT, AND ratifies its AGREEMENT with CONCESSIONAIRE for such services.

### **SECTION 14. PERFORMANCE DEPOSIT**

CONCESSIONAIRE shall provide RAP a sum equal to Twenty-Five Thousand Dollars (\$25,000) (the "Performance Deposit") to guarantee payment of fees and as a damage deposit to be used in accordance with the default provisions of this AGREEMENT. RAP acknowledges receipt of the Performance Deposit as of the date of this AGREEMENT.

#### Form of Deposit

CONCESSIONAIRE'S Deposit shall be in the following form:

A cashier's check drawn on any bank that is a member of the Los Angeles Clearing House Association, which cashier's check is payable to the order of the City of Los Angeles.

**A. Agreement of Deposit and Indemnity**

CONCESSIONAIRE unconditionally agrees that in the event of any default beyond all applicable notice and cure periods, RAP shall have full power and authority to use the deposit in whole or in part to indemnify RAP. All deposits of checks must be immediately so deposited by RAP.

**B. Maintenance of Deposit**

Said Deposit shall be held by RAP during the entire term of the AGREEMENT.

**C. Return of Deposit to CONCESSIONAIRE**

Said Deposit shall be returned to CONCESSIONAIRE and any rights assigned to the Deposit shall be surrendered by RAP in writing, after the expiration or earlier termination of the AGREEMENT and any exit audits performed in conjunction with the AGREEMENT. RAP reserves the right to deduct from the Performance Deposit, any amounts up to and including the full amount of the Deposit as stated herein, owed to RAP by CONCESSIONAIRE as shown by any exit audits performed by RAP, or as compensation to RAP for CONCESSIONAIRE'S failure to adhere to or execute the terms and conditions of the AGREEMENT. RAP shall not be required to pay any CONCESSIONAIRE interest on the Deposit.

#### **SECTION 15. TAXES, PERMITS, AND LICENSES**

- A. CONCESSIONAIRE shall obtain and maintain at its sole expense any and all approvals, permits, or licenses that may be required in connection with the operation of the CONCESSION including, but not limited to, tax permits, business licenses, health permits, animal regulation, building permits, police and fire permits, etc.
- B. CONCESSIONAIRE shall pay all taxes of whatever character that may be levied or charged upon the rights of CONCESSIONAIRE to use the PREMISES, or upon CONCESSIONAIRE'S improvements, fixtures, equipment, or other property thereon or upon CONCESSIONAIRE'S operations hereunder. In addition, by executing the AGREEMENT and accepting the benefits thereof, a property interest may be created known as "Possessory Interest" and such property interest may be subject to property taxation. CONCESSIONAIRE, as the party to whom the Possessory Interest is vested, may be subject to the payment of the property taxes levied by the State and County upon such interest.
- C. Pursuant to Section 21.3.3 of Article 1.3 of the LAMC Commercial Tenants Occupancy Tax, CONCESSIONAIRE must pay to the City of Los Angeles for the privilege of occupancy, a tax at the rate of One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter or fractional part thereof for the first One Thousand Dollars (\$1,000.00) or less of charges (rent and utilities) attributable to said calendar quarter, plus One Dollar and Forty-Eight Cents (\$1.48) per calendar quarter for each additional One Thousand Dollars (\$1,000.00) of charges or fractional part thereof in excess of One Thousand Dollars (\$1,000.00). Said tax shall be paid quarterly to RAP, on or before the fifteenth (15<sup>th</sup>) of April, July, October, January of each

calendar year, for the preceding three (3) months. Should the rate of the Occupancy Tax rise at any time during the term of the AGREEMENT, CONCESSIONAIRE shall be responsible to pay the updated, higher rate.

#### **SECTION 16. ASSIGNMENT, SUBLEASE, BANKRUPTCY**

CONCESSIONAIRE shall not under-let or sub-let the subject PREMISES or any part thereof or allow the same to be used or occupied by any other person or for other use than that herein specified, nor assign the AGREEMENT nor transfer, assign or in any manner convey any of the rights or privileges herein granted without the prior written consent of the BOARD. Neither the AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the CONCESSION rights or other violation of the provisions of this Section shall be void and shall confer no right, title or interest in or to the AGREEMENT or right of use of the whole or any portion of the PREMISES upon any such purported assignee, mortgagee, encumbrancer, pledgee or other lien holder, successor or purchaser. For purposes of this Section 16, a change in the majority ownership of CONCESSIONAIRE shall constitute a transfer or assignment of this AGREEMENT for which prior written consent of RAP is required.

#### **SECTION 17. BUSINESS RECORDS**

CONCESSIONAIRE shall maintain during the term of the AGREEMENT and for three years thereafter, all of its books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to the AGREEMENT. Such books, ledgers, journals, accounts, and records shall be available for inspection and examination by RAP, or a duly authorized representative, during ordinary business hours at any time during the term of this Agreement and for three years thereafter.

##### **A. Employee Fidelity Bonds**

At RAP's discretion, adequate employee fidelity bonds may be required to be maintained by CONCESSIONAIRE covering all its employees who handle money.

##### **B. Cash and Record Handling Requirements**

If requested by RAP, CONCESSIONAIRE shall prepare a description of its cash handling and sales recording systems and equipment to be used for operation of the CONCESSION which shall be submitted to RAP for approval.

CONCESSIONAIRE shall be required to maintain a method of accounting of the CONCESSION which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONCESSIONAIRE from the operation of the CONCESSION. The method of accounting, including bank accounts, established for the CONCESSION shall be separate from the accounting systems used for any other businesses operated by CONCESSIONAIRE or for recording CONCESSIONAIRE'S personal financial affairs. Such method shall include the keeping of the following documents:

1. Regular books of accounting such as general ledgers.
2. Journals including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.

3. State and Federal income tax returns and sales tax returns and checks and other documents proving payment of sums shown.
4. Cash register tapes shall be retained so that day to day sales can be identified. A cash register must be used in public view which prints a dated double tape, indicating each sale and the daily total.
5. Any other accounting records that RAP, in its sole discretion, deems necessary for proper reporting of receipts.

**C. Method of Recording Gross Receipts**

CONCESSIONAIRE must install a computerized point-of-sale (POS) system, including hardware and software, to record transactions and receipts. Such POS system must be capable of accepting credit and debit card payments; providing paper receipts to patrons; have a price display which is and shall remain at all times visible to the public; and have controls in place to make it equivalent to a non-resettable cash register. CONCESSIONAIRE shall not purchase or install the POS system, including hardware and software, before obtaining the GENERAL MANAGER's written approval of the specific hardware and software to be purchased. The POS system must be able to produce end of day reports including gross receipts by sales categories, and RAP shall be able to obtain the reports daily through remote communication of the systems.

**D. Annual Statement of Gross Receipts and Expenses**

CONCESSIONAIRE shall transmit a Statement of Gross Receipts and Expenses ("Profit and Loss Statement" or "Statement") for the CONCESSION operations as specified in the AGREEMENT, in a form acceptable to RAP, on or before April 30th, of each calendar year during the term of the AGREEMENT. Such Statement must be prepared by a Certified Public Accountant (CPA) and shall not include statements of omission or non-disclosure. An extension may be granted in writing, prior to the April 30th due date, by RAP, provided sufficient verification of the need for the extension is provided, as accepted by RAP's General Manager or his designee. The charge for late or delinquent Statements shall be One Hundred Dollars (\$100.00) per month or part thereof late.

If the total rental payment paid by CONCESSIONAIRE for said Statement year is less than the applicable, respective fee total owing or paid to RAP for such year, as provided for in Section 8, CONCESSIONAIRE shall promptly remit to RAP the difference with the annual statement postmarked no later than 30 days after the submission of the Statement.

In addition, RAP may from time to time conduct an audit and re-audit of the books and businesses conducted by CONCESSIONAIRE and observe the operation of the business so that accuracy of the above records can be confirmed. If the report of gross sales made by CONCESSIONAIRE to RAP shall be found to be less than the amount of gross sales disclosed by such audit and observation, CONCESSIONAIRE shall pay RAP within thirty (30) days after billing any additional rentals disclosed by such audit. If discrepancy exceeds two percent (2%) and no reasonable explanation is given for such discrepancy, CONCESSIONAIRE shall also pay the cost of the audit.

**SECTION 18. REGULATIONS, INSPECTION, AND DIRECTIVES**

**A. Constitutional and Other Limits on CONCESSIONAIRE'S Rights to Exclusivity**

Notwithstanding exclusivity granted to Concessionaire by the terms of this Agreement, the City in its discretion may require Concessionaire, without any reduction in rent or other



valuable consideration to Concessionaire, to accommodate the rights of persons to access and engage in expressive activities, as guaranteed by the First Amendment to the United States Constitution, the California Constitution, and other laws, as these laws are interpreted by the City. Expressive activities include, but are not limited to, protesting, picketing, proselytizing, soliciting, begging, and vending of certain expressive, message-bearing items.

**B. Conformance with Laws**

CONCESSIONAIRE shall conform to:

1. Any and all applicable rules, regulations, orders, and restrictions which are now in force or which may be hereafter adopted by RAP with respect to the operation of the CONCESSION;
2. Any and all orders, directions or conditions issued, given, or imposed by RAP with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to the PREMISES;
3. Any and all applicable laws, ordinances, statutes, rules, regulations or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, federal, state or municipal, lawfully exercising authority over CONCESSIONAIRE'S operations; and,
4. Any and all applicable local, state and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

**C. Permissions**

Any permission required by the AGREEMENT shall be secured in writing by CONCESSIONAIRE from CITY or RAP and any errors or omissions therefrom shall not relieve CONCESSIONAIRE of its obligations to faithfully perform the conditions therein. CONCESSIONAIRE shall promptly comply with any written request or order submitted to it by CITY or RAP in accordance with the terms of this AGREEMENT.

**D. Right of Inspection and Access to Concession**

CITY, RAP, their authorized representatives, agents and employees shall have the right to enter the PREMISES at any and all reasonable times for the purpose of inspection, evaluation, and observation of CONCESSIONAIRE'S operation. Park Rangers are specifically designated as CITY agents and are empowered by CITY to conduct inspections of the PREMISES, evaluate CONCESSIONAIRE and inform RAP fully as to CONCESSIONAIRE's conduct. During these inspections, they all shall have the right to photograph, film, or otherwise record conditions and events taking place upon the PREMISES. The inspections may be made by persons identified to CONCESSIONAIRE as CITY employees, or may be made by independent contractors engaged by CITY also identified to CONCESSIONAIRE by the CITY. Inspections may be made for the purposes set forth below, and for any other lawful purpose for which the CITY or another governmental entity with jurisdiction is authorized to perform inspections of the PREMISES:

1. To determine if the terms and conditions of the AGREEMENT are being complied with.
2. To observe transactions between CONCESSIONAIRE and patrons in order to evaluate the quality of services provided or quality and quantities of items sold or dispensed.

3. To ensure quality control and verify the validity of mandatory operating permits

**E. Control of Premises**

Subject to Section 5.T, RAP shall have absolute and full access to the PREMISES and all its appurtenances during the term of the AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding same, as may be determined by RAP. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONCESSIONAIRE.

**F. Business Inclusion Program**

CONCESSIONAIRE agrees and obligates itself to utilize the services of Minority, Women, Small, Emerging, Disabled Veteran and Other Business Enterprise firms on a level so designated in its proposal, Schedule A (Exhibit H). CONCESSIONAIRE certifies that it has complied with Executive Directive No. 14 regarding the Outreach Program. CONCESSIONAIRE shall not change any of these designated sub consultants and subcontractors, nor shall CONCESSIONAIRE reduce their level of effort, without prior written approval of the CITY, provided that such approval shall not be unreasonably withheld or delayed.

During the term of the AGREEMENT, CONCESSIONAIRE must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile, Schedule B (Exhibit I) when submitting the Monthly Revenue Report. Upon completion of the project, a summary of these records shall be prepared on the "Final Subcontracting Report" form, Schedule C (Exhibit J) and certified correct by CONCESSIONAIRE or its authorized representative. The completed Schedule C shall be furnished to RAP within fifteen (15) working days after completion of the AGREEMENT.

**G. First Source Hiring Ordinance**

Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 et seq. of the LAAC, as amended from time to time.

1. CONCESSIONAIRE shall, prior to the execution of the contract, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that CONCESSIONAIRE estimates it will need to fill in order to perform the services under the AGREEMENT. The Department of Public Works, Bureau of Contract Administration is the DAA.
2. CONCESSIONAIRE further pledges that it will, during the term of the AGREEMENT:
  - a. At least seven business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview;
  - b. Interview qualified individuals referred by EWDD; and;
  - c. Prior to filling any employment opportunity, CONCESSIONAIRE shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the CONCESSIONAIRE interviewed and the reasons why referred individuals were not hired.

3. Any subcontract entered into by CONCESSIONAIRE relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
4. CONCESSIONAIRE shall comply with all rules, regulations and policies promulgated by the designated administrative agency, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the LAAC the DAA has determined that CONCESSIONAIRE intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under LAAC Section 10.39 et seq., and must be documented in each of CONCESSIONAIRE's subsequent Contractor Responsibility Questionnaires submitted under LAAC Section 10.40 et seq. This measure does not limit the City's authority to act under this article.

Under the provisions of Section 10.44.8 of the LAAC, the Awarding Authority shall, under appropriate circumstances, terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the DAA determines that the subject CONCESSIONAIRE has violated provisions of the FSHO.

#### **H. CEC Form 50**

Certain contractors agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if those contractors qualify as a lobbying entity under Los Angeles Municipal Code 48.02. CEC Form 50 is attached as Exhibit K. Responses submitted without a completed CEC Form 50, by proposers that qualify as a lobbying entity under Los Angeles Municipal Code 48.02 shall be deemed nonresponsive.

#### **Bidder Contributions – City Charter Sections 470(c) (12)**

Persons who submit a response to this solicitation (bidders) are subject to Charter section 470(c) (12) and related ordinances. As a result, bidders may not make campaign contributions to and or engage in fundraising for certain elected City officials or candidates for elected City office from the time they submit the response until either the contract is approved or, for successful bidders, 12 months after the contract is signed. The bidder's principals and subcontractors performing One Hundred Thousand Dollars (\$100,000.00) or more in work on the contract, as well as the principals of those subcontractors, are also subject to the same limitations on campaign contributions and fundraising.

#### **I. CEC Form 55**

CEC Form 55 requires bidders to identify their principals, their subcontractors performing One Hundred Thousand Dollars (\$100,000.00) or more in work on the contract, and the principals of those subcontractors. Bidders must also notify their principals and subcontractors in writing of the restrictions and include the notice in contracts with subcontractors. Responses submitted without a completed CEC Form 55 shall be deemed nonresponsive. Bidders who fail to comply with City law may be subject to penalties, termination of contract, and debarment. Additional information regarding restrictions and requirements may be obtained from the City Ethics Commission at (213) 978-1960 or [ethics.lacity.org](http://ethics.lacity.org).

### **SECTION 19. SURRENDER OF POSSESSION**

CONCESSIONAIRE agrees to yield and deliver possession of the PREMISES to RAP on the date of the expiration or earlier termination of the AGREEMENT promptly, peaceably, quietly, and in as good

order and condition as the same now are or may be hereafter improved by CONCESSIONAIRE or RAP, normal use and wear and tear thereof excepted.

No agreement of surrender or to accept a surrender shall be valid unless and until the same is in writing and signed by the duly authorized representatives of RAP and CONCESSIONAIRE. Neither the doing nor omission of any act or thing by any of the officers, agents or employees of RAP shall be deemed an acceptance of a surrender of the PREMISES utilized by CONCESSIONAIRE under the AGREEMENT.

Upon termination of this AGREEMENT other than by forfeiture, CONCESSIONAIRE shall quit and surrender possession of the PREMISES to RAP and shall, without cost to RAP, remove any and all personal property owned by Concessionaire and leave the Premises in good condition, ordinary wear and tear excepted. CONCESSIONAIRE will have seven (7) days to effect removal and restoration. CONCESSIONAIRE may at its option accept all or a portion of the works, structures, or other improvements on behalf of RAP in lieu of all or a portion of the removal or restoration required herein.

## **SECTION 20. CERTAIN TERMINATION PROVISIONS**

- A. The AGREEMENT may be terminated by CONCESSIONAIRE, via 30-day written notice, upon the happening of any of the following events:
1. The permanent abandonment by RAP or the CITY of the FACILITY or the permanent removal of all RAP services, or a material portion thereof which materially adversely affects CONCESSIONAIRE'S operations, from the FACILITY; or
  2. The assumption by the United States Government or any authorized agency thereof, or the state of California or any authorized agency thereof, of the operation, control or use of the FACILITY or any substantial part thereof, in such manner as to materially restrict CONCESSIONAIRE from operating thereon.
- B. In connection with the provisions set forth in Subparagraph 1 of Paragraph B (Termination for Breach of Contract) of PSC-9 of the Standard Provisions of City Contracts, CITY and CONCESSIONAIRE agree that CITY shall provide written notice of default and grant CONCESSIONAIRE a period of thirty (30) calendar days from receipt of such written notice of default to cure a breach of the AGREEMENT involving the non-payment of any monthly or percentage rental payment or any other fees, charges or payments required to be paid by the CONCESSIONAIRE under this AGREEMENT; provided, however, that CONCESSIONAIRE shall remain responsible for the payment of any late fees associated with any such breach in accordance with Section 8.F.

In connection with the provisions set forth in Paragraph A (Termination for Convenience) of PSC-9 of the Standard Provisions for City Contract (Rev.10/17)[v.3] attached hereto as Exhibit A, CITY and CONCESSIONAIRE agree that the "reasonable and allowable costs" payable to the CONCESSIONAIRE under such paragraph shall include the then undepreciated net Book Value (as calculated based on a 15-year straight-line depreciation) of all improvements completed as part of the Development Project, as of the date of termination. The term "Book Value" shall mean an amount equal to the actual costs incurred by CONCESSIONAIRE (as evidenced by invoices and other supporting documentation as may be reasonably required by CITY) for the design, construction and completion of the Development Project improvements as set forth in Section 6, but in no event exceeding the costs set forth in Section 6.

- C. The AGREEMENT may be terminated by RAP, via 30-day written notice, upon the cancellation or delay of construction of the FACILITY and PREMISES. In such event, RAP will reimburse CONCESSIONAIRE for all reasonable design costs incurred after the date of execution of this AGREEMENT provided such design costs were incurred subsequent to GENERAL MANAGER notification to CONCESSIONAIRE to commence design of the Development Project as set forth in Section 6 of this AGREEMENT. CONCESSIONAIRE agrees not to incur any new design costs upon receipt of such notice of termination for cancellation. Neither CITY, nor any BOARD member, officer, or employee thereof shall be liable in any manner to CONCESSIONAIRE because of any termination of this AGREEMENT by RAP due to such cancellation.

## **SECTION 21. NOTICES**

- A. To RAP:  
Unless otherwise stated in the AGREEMENT, written notices to RAP hereunder shall be addressed to:

Department of Recreation and Parks  
Attention: Concession Unit  
P.O. Box 86328  
Los Angeles, CA 90086

All such notices may either be delivered personally or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail. Service in such manner by registered or certified mail shall be effective upon receipt. Written notices may also be emailed to RAP Concessions Analyst.

RAP shall provide CONCESSIONAIRE with written notice of any address change within thirty (30) days of the occurrence of said change.

- B. To CONCESSIONAIRE:  
The execution of any notice to CONCESSIONAIRE by RAP shall be as effective for CONCESSIONAIRE as if it were executed by BOARD, or by Resolution or Order of said BOARD.

All such notices may either be delivered personally to CONCESSIONAIRE or to any officer or responsible employee of CONCESSIONAIRE or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid for delivery by registered or certified mail, or transmitted via email by RAP. Service in such manner by registered or certified mail shall be effective upon receipt.

Written notices to CONCESSIONAIRE shall be addressed to CONCESSIONAIRE as follows:

First and Broadway Partners, LLC  
Nicholas Crews  
1924 E. Maple Avenue, Suite B  
El Segundo, CA 90245

ncrews@crews1972.com

CONCESSIONAIRE shall provide CITY with written notice of any address change within thirty (30) days of the occurrence of said address change.

## **SECTION 22. INCORPORATION OF DOCUMENTS**

This AGREEMENT and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and agreements. The following Exhibits are to be attached to and made part of this AGREEMENT by reference:

- A. Standard Provisions for City Contracts (Rev. 10/17 V.3)
- B. Concession Premises Map
- C. Good Food Purchasing Program (Rev. 9/17)
- D. Form General No. 87 "Non-Employee Accident or Illness Report"
- E. Monthly Revenue Report
- F. Required Insurance and Minimum Limits; Instructions and Information on Complying with City Insurance Requirements
- G. Special Occurrence and Loss Report
- H. Schedule A, MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form
- I. Schedule B, MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile
- J. Schedule C, Final Subcontracting Report
- K. CEC Form 50, Bidder Certification
- L. Capital Improvement Scope of Work

In the event of any inconsistency between any of the provisions of this AGREEMENT and/or exhibits attached hereto, the inconsistency shall be resolved by giving precedence in the following order: 1) This AGREEMENT exclusive of attachments, 2) Exhibit A, 3) Exhibit B, 4) Exhibit F 8) Exhibit G, 9) Exhibit H, 10) Exhibit I, 11) Exhibit J, 12) Exhibit K, 13) Exhibit L, 14) Exhibit C, 15) Exhibit E and 16) Exhibit D.

*(Signature Page to Follow)*



**IN WITNESS WHEREOF, THE CITY OF LOS ANGELES** has caused this **AGREEMENT** to be executed on its behalf by its duly authorized General Manager of the Department of Recreation and Parks and **CONCESSIONAIRE** has executed the same as of the day and year herein below written.

**THE CITY OF LOS ANGELES**, a municipal corporation, acting by and through the Department of Recreation and Parks

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
MICHAEL A. SHULL  
General Manager

FIRST AND BROADWAY PARTNERS, LLC

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM:  
MICHAEL N. FEUER, City Attorney

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Deputy City Attorney

Business Tax Registration Certificate Number: \_\_\_\_\_

Internal Revenue Service Taxpayer Identification Number: \_\_\_\_\_

AGREEMENT Number: \_\_\_\_\_

## STANDARD PROVISIONS FOR CITY CONTRACTS

### TABLE OF CONTENTS

|               |   |          |
|---------------|---|----------|
| <b>PSC-1</b>  | <u>Construction of Provisions and Titles Herein</u> .....                           | <b>1</b> |
| <b>PSC-2</b>  | <u>Applicable Law, Interpretation and Enforcement</u> .....                         | <b>1</b> |
| <b>PSC-3</b>  | <u>Time of Effectiveness</u> .....  | <b>1</b> |
| <b>PSC-4</b>  | <u>Integrated Contract</u> .....  | <b>2</b> |
| <b>PSC-5</b>  | <u>Amendment</u> .....  | <b>2</b> |
| <b>PSC-6</b>  | <u>Excusable Delays</u> .....   | <b>2</b> |
| <b>PSC-7</b>  | <u>Waiver</u> .....   | <b>2</b> |
| <b>PSC-8</b>  | <u>Suspension</u> .....   | <b>3</b> |
| <b>PSC-9</b>  | <u>Termination</u> .....  | <b>3</b> |
| <b>PSC-10</b> | <u>Independent Contractor</u> .....   | <b>5</b> |
| <b>PSC-11</b> | <u>Contractor's Personnel</u> .....   | <b>5</b> |
| <b>PSC-12</b> | <u>Assignment and Delegation</u> .....  | <b>6</b> |
| <b>PSC-13</b> | <u>Permits</u> .....  | <b>6</b> |
| <b>PSC-14</b> | <u>Claims for Labor and Materials</u> .....   | <b>6</b> |
| <b>PSC-15</b> | <u>Current Los Angeles City Business Tax Registration Certificate Required</u> .... | <b>6</b> |
| <b>PSC-16</b> | <u>Retention of Records, Audit and Reports</u> .....                                | <b>6</b> |
| <b>PSC-17</b> | <u>Bonds</u> .....  | <b>7</b> |
| <b>PSC-18</b> | <u>Indemnification</u> .....  | <b>7</b> |
| <b>PSC-19</b> | <u>Intellectual Property Indemnification</u> .....                                  | <b>7</b> |
| <b>PSC-20</b> | <u>Intellectual Property Warranty</u> .....   | <b>8</b> |
| <b>PSC-21</b> | <u>Ownership and License</u> .....  | <b>8</b> |
| <b>PSC-22</b> | <u>Data Protection</u> .....  | <b>9</b> |

## TABLE OF CONTENTS (Continued)

|                  |  |           |
|------------------|--|-----------|
| <b>PSC-23</b>    | <u>Insurance</u> .....   | <b>9</b>  |
| <b>PSC-24</b>    | <u>Best Terms</u> .....  | <b>9</b>  |
| <b>PSC-25</b>    | <u>Warranty and Responsibility of Contractor</u> .....   | <b>10</b> |
| <b>PSC-26</b>    | <u>Mandatory Provisions Pertaining to Non-Discrimination in Employment</u> .....               | <b>10</b> |
| <b>PSC-27</b>    | <u>Child Support Assignment Orders</u> .....   | <b>10</b> |
| <b>PSC-28</b>    | <u>Living Wage Ordinance</u> .....   | <b>11</b> |
| <b>PSC-29</b>    | <u>Service Contractor Worker Retention Ordinance</u> .....                                     | <b>11</b> |
| <b>PSC-30</b>    | <u>Access and Accommodations</u> .....   | <b>11</b> |
| <b>PSC-31</b>    | <u>Contractor Responsibility Ordinance</u> .....   | <b>12</b> |
| <b>PSC-32</b>    | <u>Business Inclusion Program</u> .....  | <b>12</b> |
| <b>PSC-33</b>    | <u>Slavery Disclosure Ordinance</u> .....  | <b>12</b> |
| <b>PSC-34</b>    | <u>First Source Hiring Ordinance</u> .....   | <b>12</b> |
| <b>PSC-35</b>    | <u>Local Business Preference Ordinance</u> .....   | <b>12</b> |
| <b>PSC-36</b>    | <u>Iran Contracting Act</u> .....  | <b>12</b> |
| <b>PSC-37</b>    | <u>Restrictions on Campaign Contributions in City Elections</u> .....                          | <b>12</b> |
| <b>PSC-38</b>    | <u>Contractors' Use of Criminal History for Consideration of Employment Applications</u> ..... | <b>13</b> |
| <b>PSC-39</b>    | <u>Limitation of City's Obligation to Make Payment to Contractor</u> .....                     | <b>13</b> |
| <b>PSC-40</b>    | <u>Compliance with Identity Theft Laws and Payment Card Data Security Standards</u> .....      | <b>14</b> |
| <b>PSC-41</b>    | <u>Compliance with California Public Resources Code Section 5164</u> .....                     | <b>14</b> |
| <b>PSC-42</b>    | <u>Possessory Interests Tax</u> .....  | <b>14</b> |
| <b>PSC-43</b>    | <u>Confidentiality</u> .....   | <b>15</b> |
| <b>Exhibit 1</b> | <u>Insurance Contractual Requirements</u> .....  | <b>16</b> |

## STANDARD PROVISIONS FOR CITY CONTRACTS

### **PSC-1.**    Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

### **PSC-2.**    Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

### **PSC-3.**    Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A.    This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B.    This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C.    The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D.    This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

**PSC-4. Integrated Contract**

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

**PSC-5. Amendment**

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

**PSC-6. Excusable Delays**

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

**PSC-7. Waiver**

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.



## **PSC-8.    Suspension**

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

## **PSC-9.    Termination**

### **A.       Termination for Convenience**

**CITY** may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

### **B.       Termination for Breach of Contract**

1.       Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2.       If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of



services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
  - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
  - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
  - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
  - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
- 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
- 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
- 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

**PSC-10. Independent Contractor**

**CONTRACTOR** is an independent contractor and not an agent or employee of **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **CITY**.

**PSC-11. Contractor's Personnel**

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

**CONTRACTOR** shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

**PSC-12. Assignment and Delegation**

**CONTRACTOR** may not, unless it has first obtained the written permission of **CITY**:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

**PSC-13. Permits**

**CONTRACTOR** and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

**PSC-14. Claims for Labor and Materials**

**CONTRACTOR** shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

**PSC-15. Current Los Angeles City Business Tax Registration Certificate Required**

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

**PSC-16. Retention of Records, Audit and Reports**

**CONTRACTOR** shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding



performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

#### **PSC-17. Bonds**

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

#### **PSC-18. Indemnification**

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

#### **PSC-19. Intellectual Property Indemnification**

**CONTRACTOR**, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

#### **PSC-20. Intellectual Property Warranty**

**CONTRACTOR** represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

#### **PSC-21. Ownership and License**

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

**CONTRACTOR** agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

**CONTRACTOR** shall not provide or disclose any Work Product to any third party without prior written consent of **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.



## **PSC-22. Data Protection**

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the "City Data"). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR'S** discovery or reasonable belief of any unauthorized access of City Data (a "Data Breach"), or of any incident affecting, or potentially affecting City Data related to cyber security (a "Security Incident"), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY'S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY'S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

## **PSC-23. Insurance**

During the term of this Contract and without limiting **CONTRACTOR'S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY'S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

## **PSC-24. Best Terms**

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR'S** customers for similar goods and services provided under this Contract.



**PSC-25. Warranty and Responsibility of Contractor**

**CONTRACTOR** warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

**PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment**

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-27. Child Support Assignment Orders**

**CONTRACTOR** shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-28. Living Wage Ordinance**

**CONTRACTOR** shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-29. Service Contractor Worker Retention Ordinance**

**CONTRACTOR** shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-30. Access and Accommodations**

**CONTRACTOR** represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

**CONTRACTOR** understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-31. Contractor Responsibility Ordinance**

**CONTRACTOR** shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

**PSC-32. Business Inclusion Program**

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network ("BAVN") at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

**PSC-33. Slavery Disclosure Ordinance**

**CONTRACTOR** shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-34. First Source Hiring Ordinance**

**CONTRACTOR** shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-35. Local Business Preference Ordinance**

**CONTRACTOR** shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-36. Iran Contracting Act**

In accordance with California Public Contract Code Sections 2200-2208, all contractors entering into, or renewing contracts with **CITY** for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

**PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections**

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR'S** principals, and **CONTRACTOR'S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the "Restricted Persons")



shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract #\_\_\_\_\_. Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at [ethics.lacity.org](http://ethics.lacity.org) or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

**PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications**

**CONTRACTOR** shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

**PSC-39. Limitation of City’s Obligation to Make Payment to Contractor**

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

**PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards**

**CONTRACTOR** shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act ("FACTA"), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards ("PCI DSS"). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

**PSC-41. Compliance with California Public Resources Code Section 5164**

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR'S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

**PSC-42. Possessory Interests Tax**

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

**PSC-43. Confidentiality**

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively "Confidential Information") are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.



## **EXHIBIT 1**

### **INSURANCE CONTRACTUAL REQUIREMENTS**

**CONTACT** For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at [www.lacity.org/cao/risk](http://www.lacity.org/cao/risk). The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

### **CONTRACTUAL REQUIREMENTS**

#### **CONTRACTOR AGREES THAT:**

**1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

**2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

**3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

**4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

**5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

**6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California 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 that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

**7. California Licensee.** All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

**8. Aggregate Limits/Impairment.** If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

**9. Commencement of Work.** For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

## Required Insurance and Minimum Limits

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Agreement/Reference: \_\_\_\_\_

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

### Limits

---

---

**Workers' Compensation (WC) and Employer's Liability (EL)**
WC Statutory

EL \_\_\_\_\_

☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act

---

---

**General Liability**
☐ Products/Completed Operations☐ Sexual Misconduct \_\_\_\_\_☐ Fire Legal Liability \_\_\_\_\_☐ \_\_\_\_\_

---

---

**Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

---

---

**Professional Liability** (Errors and Omissions)

Discovery Period \_\_\_\_\_

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**Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Boiler and Machinery☐ Flood \_\_\_\_\_☐ Builder's Risk☐ Earthquake \_\_\_\_\_☐ \_\_\_\_\_

---

---

**Pollution Liability**
☐ \_\_\_\_\_

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---

**Surety Bonds - Performance and Payment (Labor and Materials) Bonds**


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---

**Crime Insurance**

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

\_\_\_\_\_

\_\_\_\_\_







# Cafe Entrance and Terrace

FAB PARK RFP EXHIBIT F PAGE 2 OF 7



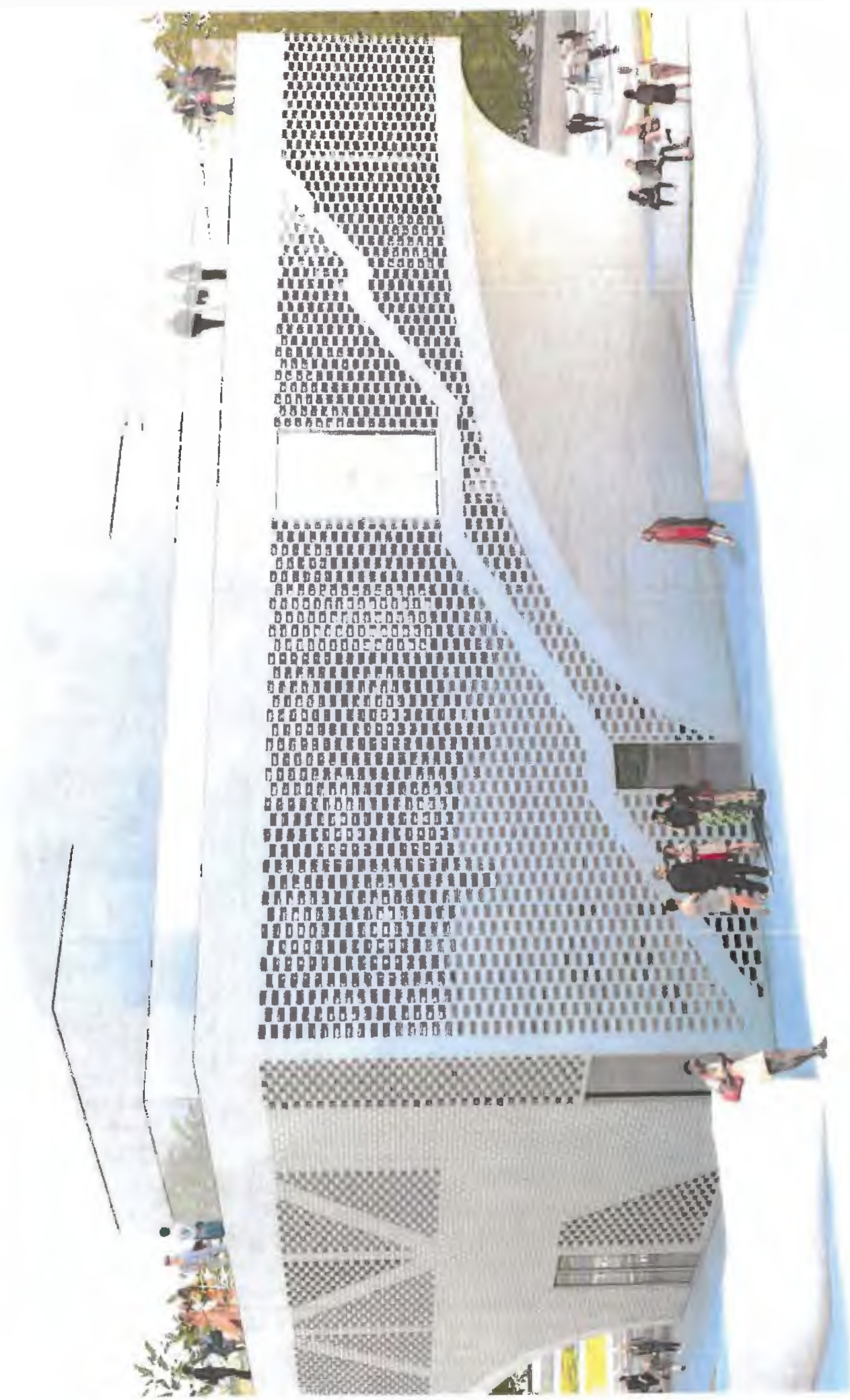


## Beer Garden



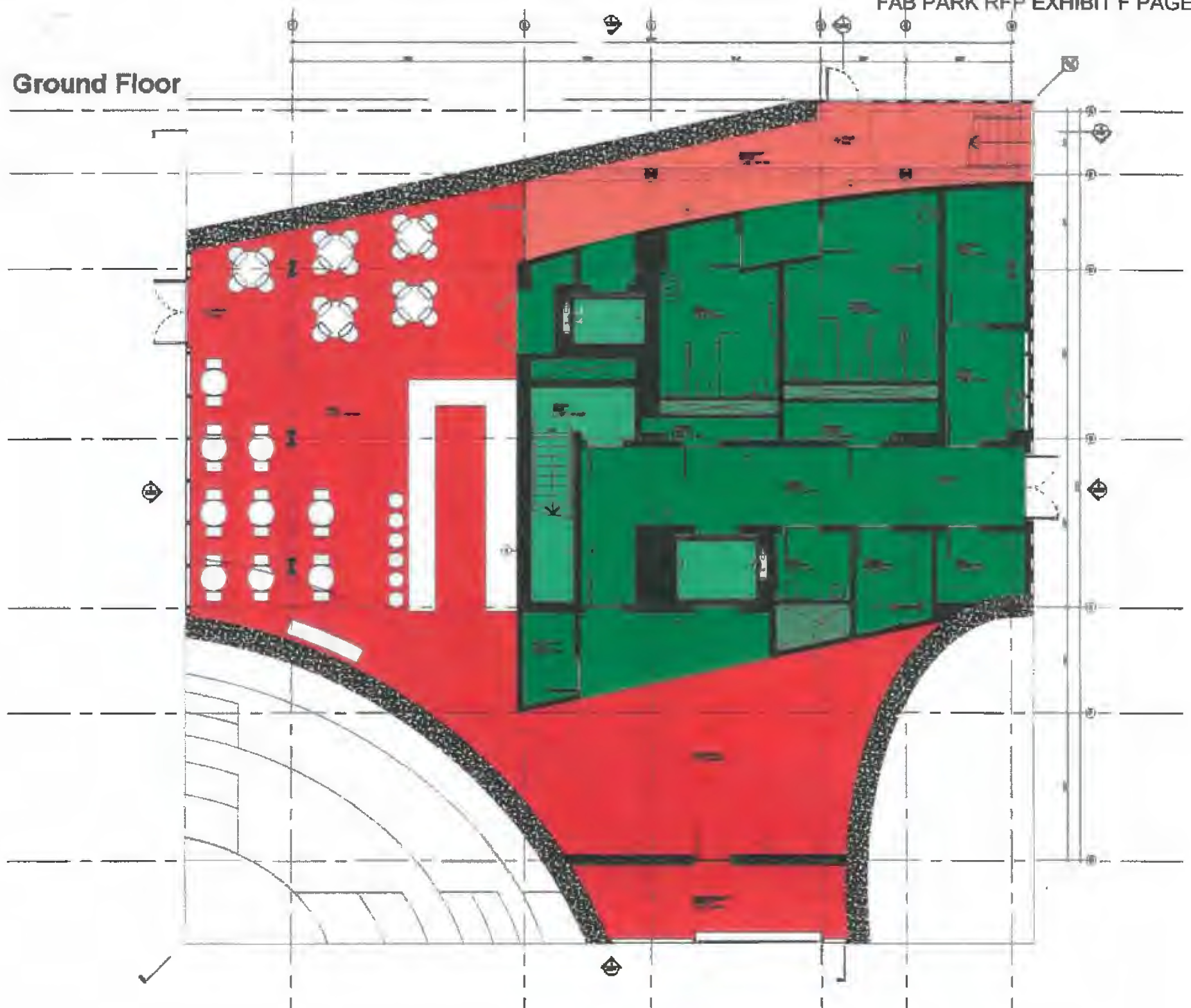


## Restaurant Entrances



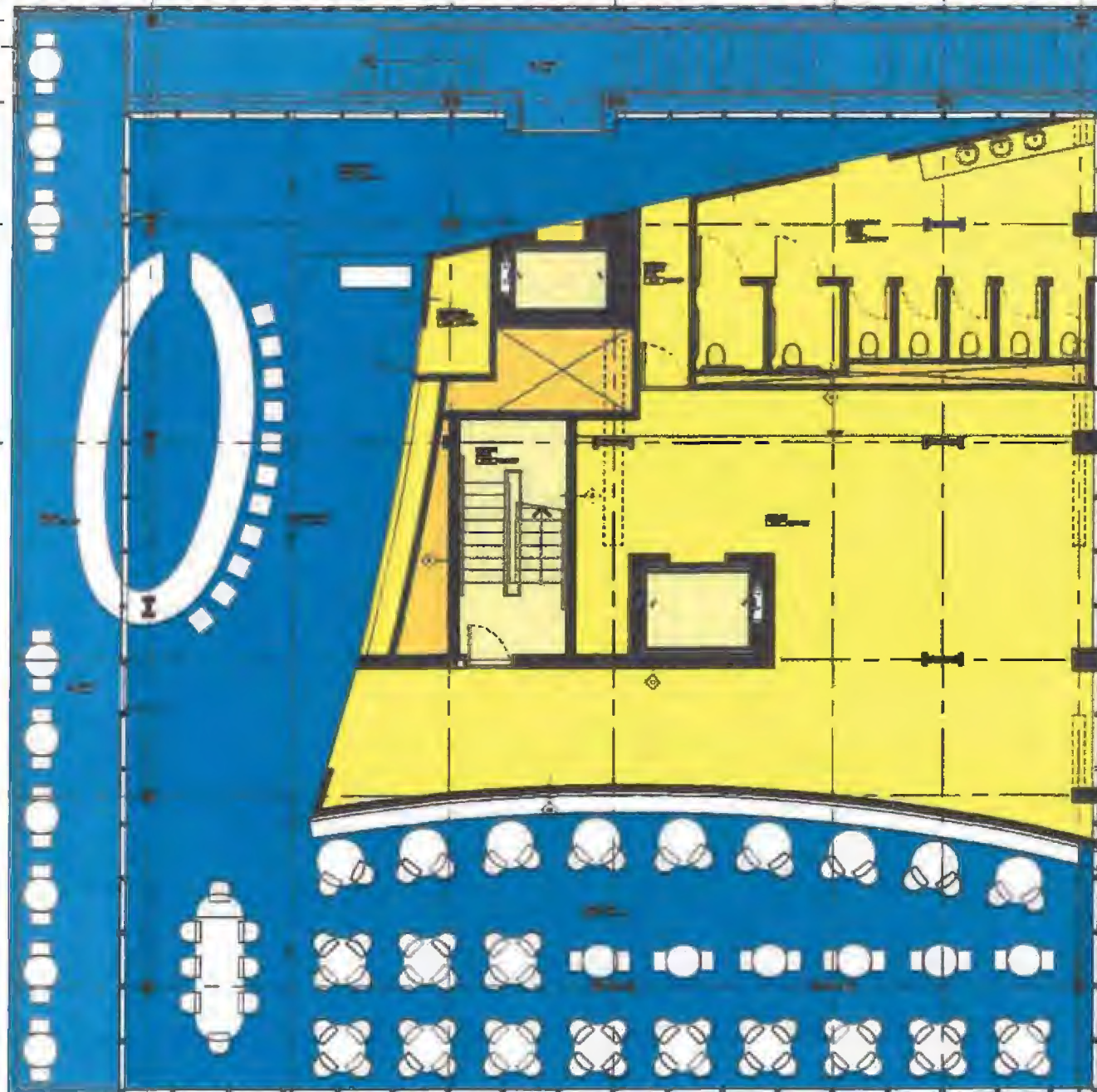


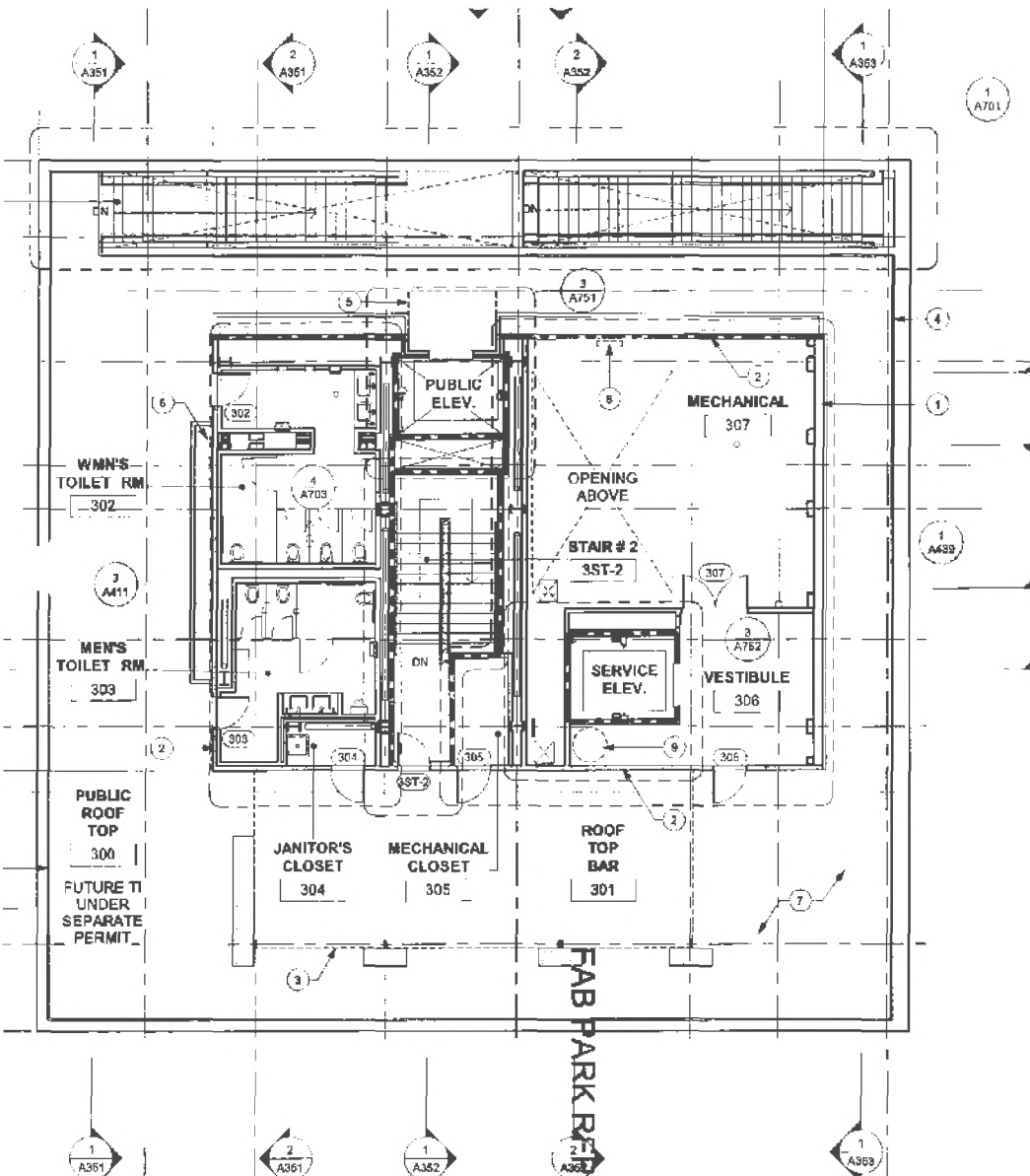
# Ground Floor





# Second Floor









**\*The entire 51 pages is not included  
in this report, but can be seen on  
LABAVN, Opportunity ID 32392,  
RFP document, PDF pages 195-246.**

# GOOD FOOD PURCHASING PROGRAM

Purchasing Standards for  
Food Service Institutions





## CENTER FOR GOOD FOOD PURCHASING STAFF EDITORS

**Alexa Delwiche**, Co-Founder & Executive Director

**Colleen McKinney**, Associate Director

## CENTER FOR GOOD FOOD PURCHASING GOVERNANCE BOARD

**Paula Daniels**, Co-Founder, Senior Advisor & Chair of the Board, Center for Good Food Purchasing

**Allison Hagey**, Counsel, BraunHagey & Borden LLP

**Nathalie Laidler-Kylander**, Draper Richards Kaplan Foundation

**Joann Lo**, Co-Director, Food Chain Workers Alliance

**Monte Roulier**, Co-Founder & President, Community Initiatives

**Ricardo Salvador**, Senior Scientist & Director, Food & Environment Program, Union of Concerned Scientists

**Chuck Savitt**, Founder and Senior Counselor, Island Press

**Douglass Sims**, Director of Strategy and Finance, Center for Market Innovation, Natural Resources Defense Council

**Wood Turner**, Vice President, Agriculture Capital

## GRAPHIC DESIGN

**Christina Bronsing-Lazalde**, Real Food Media



Form Gen. 87 (R. 4/09)

## City of Los Angeles

Orig. City Attorney m/s 140  
 Dup. Risk Manager m/s 625-24  
 Trip. Dept. Area Office or Division Head

## NON-EMPLOYEE ACCIDENT OR ILLNESS REPORT

Department Reporting

Recreation and Parks

**INSTRUCTIONS:** All accidents, illnesses, or injuries, no matter how minor, involving non-employees while on City property, must be reported by the City employee or department in proximity. Be complete as possible. The information provided may be needed by the City Attorney in preparing the case if legal action is necessary. Use typewriter or print carefully.

## PART I - PERSONAL DATA

|   |  |  |  |  |   |
|---|--|--|--|--|---|
| 1. NAME (OF PERSON INJURED)<br>(LAST) (FIRST) (MIDDLE)          |  |  | 2a. HOME ADDRESS (STREET) (CITY) (ZIP)     |  | 3a. PHONE NUMBER                        |
|   |  |  | 2b. BUSINESS ADDRESS (STREET) (CITY) (ZIP) |  | 3b. PHONE NUMBER                        |
| 4. SEX<br><input type="checkbox"/> M <input type="checkbox"/> F |  |  | 5. DATE OF BIRTH                           |  | 6. IF MINOR, NAME OF PARENT OR GUARDIAN |
|   |  |  |  |  | 7. PHONE NUMBER                         |

## PART II - ACCIDENT/INJURY

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| 8. DATE 9. TIME   |  | 10. LOCATION OF PUBLIC PROPERTY INVOLVED |  | 11. WAS FIRST AID GIVEN?<br><input type="checkbox"/> YES <input type="checkbox"/> NO |  |
| 12. FIRST AID GIVEN BY (NAME)                                     |  | (ADDRESS)                                |  | (PHONE NUMBER)   |  |
| 13. PHYSICIAN/HOSPITAL INJURED TAKEN TO                           |  | (ADDRESS)                                |  | (PHONE NUMBER)   |  |
| 14. NATURE OF INJURIES (BE SPECIFIC)                              |  |  |  |  |  |
| 15. DESCRIBE ACCIDENT (IN DETAIL)                                 |  |  |  |  |  |
| 16. NAME AND POSITION OF PERSON IMMEDIATELY IN CHARGE OF FACILITY |  |  |  |  |  |
| 17. WHERE WAS RESPONSIBLE PERSON AT TIME OF ACCIDENT?             |  |  |  |  |  |

## PART III - WITNESSES

| 18. NAME (LAST) (FIRST) (MIDDLE) | 19. ADDRESS (STREET) (CITY) (ZIP) | 20. PHONE NUMBER | CITY EMPLOYEE<br><input type="checkbox"/> YES <input type="checkbox"/> NO |
|----------------------------------|-----------------------------------|------------------|---|
| a.                               |                                   |                  | <input type="checkbox"/> YES <input type="checkbox"/> NO                  |
| b.                               |                                   |                  | <input type="checkbox"/> YES <input type="checkbox"/> NO                  |
| c.                               |                                   |                  | <input type="checkbox"/> YES <input type="checkbox"/> NO                  |
| d.                               |                                   |                  | <input type="checkbox"/> YES <input type="checkbox"/> NO                  |

## PART IV - STATEMENT OF INJURED PARTY OR WITNESS

21.

## PART V - EMPLOYEE FILING REPORT

22. NAME AND POSITION 23. SIGNATURE 24. DATE

CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS  
Finance Division / Concessions Unit  
P.O. Box 86610  
Los Angeles, CA 90086

**MONTHLY REVENUE REPORT  
FIRST AND BROADWAY PARTNERS, LLC**

PERIOD COVERED: From: \_\_\_\_\_ To: \_\_\_\_\_  
Month/Day/Year Month/Day/Year

**MAG**

MINIMUM ANNUAL GUARANTEE. YEAR 2 = \$200,000. MONTHLY (1/12) = \$16,666.67

(A) \$16,666.67

(A revised MAG is determined by RAP at the conclusion of each completed year, based on performance of the prior year. See Contract, Section 8.A.)

Or - if greater than MAG, the amounts below based on percentages:

OR

**GROSS RECEIPTS**GROSS  
SALES

X PERCENTAGE

FOOD &amp; NON-ALCOHOLIC BEVERAGES

6%

\$ -

ALCOHOL

12%

\$ -

SPECIAL EVENTS

20%

\$ -

VENDING MACHINE SALES

6%

+ \_\_\_\_\_

GROSS SALES X PERCENTAGES

(B) \$ -

TOTAL

MONTHLY RENTAL SUBTOTAL

The greater of A or B: \$ -

**ADDITIONAL FEES**

UTILITIES:

Concessionaire shall cover electricity and gas utility services under terms of the Concession Agreement.

n/a

LATE RENT FEE:

The charges for late or delinquent payments shall be One Hundred Fifty Dollars (\$150.00) for each month late plus interest calculated at the rate of eighteen percent (18%) per annum

\$ \_\_\_\_\_

OCCUPANCY TAX:

Paid Quarterly (April / July / October / January) for preceding three months at \$1.48 per \$1,000 or fraction thereof of charges paid to RAP.

\$ \_\_\_\_\_

ADDITIONAL FEES SUBTOTAL:

\$ \_\_\_\_\_

ADJUSTMENTS\*:

Explain:

\_\_\_\_\_

\_\_\_\_\_

\$ -

\*NOTE: All amortizations (allowance for rent reduction for any expenditure) must have prior approval in writing by the Department of Recreation and Parks. Copies of approval letters, invoices, and proof of payment must be submitted with the Remittance Advice for any and all months amortization is realized.

TOTAL AMOUNT DUE:

\$ -

I hereby certify that this is a true and correct record of the period stated above:

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

Date: \_\_\_\_\_

## Required Insurance and Minimum Limits

Name:

Date: 08/11/2017

**Agreement/Reference:** Request for Proposal - Food and Beverage Concessions at First and Broadway Park, CD14  
 Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

|   |  |  |
|---|--|--|
| <input checked="" type="checkbox"/> <b>Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)</b>   |  | <b>WC Statutory</b><br><b>EL \$1,000,000</b> |
| <input checked="" type="checkbox"/> Waiver of Subrogation in favor of City  | <input type="checkbox"/> Longshore & Harbor Workers<br><input type="checkbox"/> Jones Act                            |  |
| <input checked="" type="checkbox"/> <b>General Liability</b> with \$2,000,000 aggregate; City of Los Angeles must be named as an Additional Insured   |  | <b>\$1,000,000</b>                           |
| <input checked="" type="checkbox"/> Products/Completed Operations<br><input checked="" type="checkbox"/> Fire Legal Liability \$1,000,000<br><input checked="" type="checkbox"/> Broad Form Liquor Liability; and<br>with Rental Interruption of 180 days | <input type="checkbox"/> Sexual Misconduct   |  |
| <input checked="" type="checkbox"/> <b>Automobile Liability</b> (for any and all vehicles used for this contract, other than commuting to/from work)  |  | <b>\$1,000,000</b>                           |
| <input type="checkbox"/> <b>Professional Liability</b> (Errors and Omissions)   |  |  |
| Discovery Period 12 Months After Completion of Work or Date of Termination  |  |  |
| <input type="checkbox"/> <b>Property Insurance</b> (to cover replacement cost of building - as determined by insurance company)   |  |  |
| <input type="checkbox"/> All Risk Coverage<br><input type="checkbox"/> Flood<br><input type="checkbox"/> Earthquake   | <input type="checkbox"/> Boiler and Machinery<br><input type="checkbox"/> Builder's Risk<br><input type="checkbox"/> |  |
| <input type="checkbox"/> <b>Pollution Liability</b><br><input type="checkbox"/>   |  |  |
| <input type="checkbox"/> <b>Surety Bonds - Performance and Payment (Labor and Materials) Bonds</b>  |  | 100% of the contract price                   |
| <input type="checkbox"/> <b>Crime Insurance</b>   |  |  |
| Other: Submitted to Sonia Robinson @ RAP  |  |  |

## SPECIAL OCCURRENCE AND LOSS REPORT

REPORT NUMBER

SEE INSTRUCTIONS ON PAGE 2

1. NAME OF FACILITY

DATE OF OCCURRENCE

TIME:

A.M.

P.M.

2. SUBJECT OF REPORT

3. EXACT LOCATION OF OCCURRENCE

4. DESCRIBE WHAT HAPPENED. ESTIMATE PROPERTY DAMAGE, IF ANY

5.

ESTIMATE OF DAMAGES

6. LIST STOLEN ITEMS, IF ANY, (EXCEPT CASH)

QUANTITY

TYPE OF ITEM OR EQUIPMENT, DESCRIBE

DEPT. NO.

SERIAL NO.

APPROX. VALUE

7.

TOTAL

\$0.00

8. IF MONEY WAS TAKEN INDICATE AMOUNT AND WHERE KEPT AT TIME OF THEFT. CALL CHIEF FINANCIAL OFFICER AT (213) 202-6200  
LOCATION

AMOUNT

9. TOTAL LOSSES (TOTAL OF LINES 6, 7 AND 8)

TOTAL

\$0.00

10. WHO DISCOVERED LOSS?  
NAME

TITLE

DATE

TIME:

A.M.

P.M.

11. HOW WAS ENTRANCE GAINED?

12. WHO SECURED BLDG. PRIOR TO OCCURRENCE?  
NAME

TITLE

DATE

TIME:

A.M.

P.M.

13. WAS POLICE REPORT MADE? ☐ YES ☐ NO

D.R. NUMBER

14. HAS A WORK ORDER BEEN INITIATED FOR REPAIRS?

YES ☐ NO ☐

WORK ORDER

15. PERSONS INVOLVED:

WITNESS

VICTIM

SUSPECT

NAME

ADDRESS

AGE SEX

PHONE NUMBER

INDICATE

W ☐ V ☐ S ☐W ☐ V ☐ S ☐W ☐ V ☐ S ☐W ☐ V ☐ S ☐

16. IF VEHICLE INVOLVED.

LICENSE NO.

OWNER'S NAME, ADDRESS AND INSURANCE CO.

YEAR

MAKE

17. GIVE ANY REMEDIAL MEASURES / CORRECTIVE ACTIONS THAT WERE TAKEN, IF ANY.

18. REPORT SUBMITTED BY:

NAME

TITLE

DATE

PRINT

PAGE 2



**SCHEDULE A  
CITY OF LOS ANGELES  
MBE/WBE/SBE/EBE/DVBE/OBE SUBCONTRACTORS INFORMATION FORM**

(NOTE: COPY THIS PAGE AND ADD ADDITIONAL SHEETS AS NECESSARY, SIGN ALL SHEETS)

|               |
|---------------|
| Project Title |
|---------------|

|                 |           |
|-----------------|-----------|
| Proposer        | Address   |
| Contract Period | Phone/Fax |

| LIST OF ALL SUBCONSULTANTS (SERVICE PROVIDERS/SUPPLIERS/ETC.) |                               |                          |                             |                             |
|---|-------------------------------|--------------------------|-----------------------------|-----------------------------|
| NAME, ADDRESS, TELEPHONE NO. OF SUBCONSULTANT                 | DESCRIPTION OF WORK OR SUPPLY | MBE/WBE/SBE/EBE/DVBE/OBE | CALTRANS/CITY/MTA CERT. NO. | DOLLAR VALUE OF SUBCONTRACT |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |
|   |                               |                          |                             |                             |

| PERCENTAGE OF MBE/WBE/SBE/EBE/DVBE/OBE PARTICIPATION |         |         |
|--|---------|---------|
|  | DOLLARS | PERCENT |
| TOTAL MBE AMOUNT                                     | \$      | %       |
| TOTAL WBE AMOUNT                                     | \$      | %       |
| TOTAL SBE AMOUNT                                     | \$      | %       |
| TOTAL EBE AMOUNT                                     | \$      | %       |
| TOTAL DVBE AMOUNT                                    | \$      | %       |
| TOTAL OBE AMOUNT                                     | \$      | %       |
| BASE BID AMOUNT                                      | \$      |         |

\_\_\_\_\_  
Signature of Person Completing this Form

\_\_\_\_\_  
Printed Name of Person Completing this Form

Title \_\_\_\_\_ Date \_\_\_\_\_

**MUST BE SUBMITTED WITH PROPOSAL**

Rev. 07/01/11 (Citywide RFP - BAYN BIP)

**SCHEDULE B  
CITY OF LOS ANGELES  
MBE/WBE/SBE/DBE/DVBE/OBE UTILIZATION PROFILE**

|               |              |
|---------------|--------------|
| Project Title | Contract No. |
|---------------|--------------|

|                |           |
|----------------|-----------|
| Consultant     | Address   |
| Contact Person | Phone/Fax |

|   |                     |   |
|---|---------------------|---|
| CONTRACT AMOUNT<br>(INCLUDING AMENDMENTS) | THIS INVOICE AMOUNT | INVOICED TO DATE AMOUNT<br>(INCLUDE THIS INVOICE) |
|---|---------------------|---|

| MBE/WBE/SBE/DBE/DVBE/OBE SUBCONTRACTORS (LIST ALL SUBS) |                                  |                                   |                                     |   |                                       |
|---|----------------------------------|-----------------------------------|-------------------------------------|---|---------------------------------------|
| NAME OF<br>SUBCONTRACTOR                                | MBE/WBE/<br>SBE/DBE/<br>DVBE/OBE | ORIGINAL<br>SUBCONTRACT<br>AMOUNT | THIS INVOICE<br>(AMOUNT NOW<br>DUE) | INVOICED TO DATE<br>(INCLUDE THIS<br>INVOICE) | SCHEDULED<br>PARTICIPATION<br>TO DATE |

| CURRENT PERCENTAGE OF MBE/WBE/SBE/DBE/DVBE/OBE<br>PARTICIPATION TO DATE |         |         | Signature of Person Completing this Form   |
|---|---------|---------|--|
|   | DOLLARS | PERCENT |  |
| TOTAL MBE PARTICIPATION   | \$      | %       | Printed Name of Person Completing this Form:<br><br><br><br><br><br>Title: _____ Date: _____ |
| TOTAL WBE PARTICIPATION   | \$      | %       |  |
| TOTAL SBE PARTICIPATION   | \$      | %       |  |
| TOTAL DBE PARTICIPATION   | \$      | %       |  |
| TOTAL DVBE PARTICIPATION  | \$      | %       |  |
| TOTAL OBE PARTICIPATION   | \$      | %       |  |

**SCHEDULE C  
CITY OF LOS ANGELES  
FINAL SUBCONTRACTING REPORT**

|                       |  |                     |  |
|-----------------------|--|---------------------|--|
| <b>Project Title</b>  |  | <b>Contract No.</b> |  |
| <b>Company Name</b>   |  | <b>Address</b>      |  |
| <b>Contact Person</b> |  | <b>Phone</b>        |  |

| Name, Address, Telephone No. of all Subconsultants Listed on Schedule B | Description of Work or Supply | MBE/WBE/SBE/DBE/DVBE/OBE | Original Dollar Value of Subcontract | Actual Dollar Value of Subcontract* |
|---|-------------------------------|--------------------------|--------------------------------------|-------------------------------------|
| +   |                               |                          |                                      |                                     |

\* If the actual dollar value differs from the original dollar value, explain the differences and give details.

|                    | Total Dollars | Achieved Levels | Pledged Levels |                   | Total Dollars | Achieved Levels | Pledged Levels |
|--------------------|---------------|-----------------|----------------|-------------------|---------------|-----------------|----------------|
| MBE Participation  |               |                 |                | WBE Participation |               |                 |                |
| SBE Participation  |               |                 |                | EBE Participation |               |                 |                |
| DVBE Participation |               |                 |                | OBE Participation |               |                 |                |

Signature of Person Completing this Form

Printed Name

Title

Date

**SUBMIT WITHIN 15 DAYS OF PROJECT COMPLETION**

COMMENTS

**INSTRUCTIONS:** This report must be made out in reporting any damage to, theft or loss of, private or public property or any other reportable incident occurring at any department facility and report to any member of the staff. This report to be filled out and distributed within 24 hours of incident. This form is NOT to be used for injury, accident or illness to City Employees or Non-City employees. Use general forms numbers 5020 or 87 for these purposes.

If cash is taken call Chief Financial Officer at (213) 202-4380 as soon as possible.

**FILL OUT FORM AS COMPLETE AS POSSIBLE USING THE**

1. Name of recreation center, park etc. date and time (if known) incident occurred.
2. Subject of report may be vandalism, theft, fire, defacing public property, indecent exposure, etc.
3. Exact location of incident at facility i.e. gym, boys restroom, merry-go-round, ball diamond, etc.
4. Describe incident, give details. Use other side of form if necessary.
5. Estimate property damage, if any, incurred as a result of the described incident.
6. List stolen or lost items. Give identifying numbers and approximate replacement cost.
7. Total cost of stolen or lost items.
8. If cash taken, state amount and location. i.e. \$10.00 from coke machine, \$50.00 from safe, etc.
9. Total losses. Add up the amounts from 5, 7, and 8
10. Name and title of person discovering the loss. Give date and time discovered.
11. Describe how bldg. was entered, i.e. unauthorized key, kitchen window, forced open office door, etc.
12. Name and title of person locking up premises before incident occurred. Give date and time secured.
13. When reporting incident to police, request that reporting officer call his station and obtain a D.R. number. Enter this number on line no. 13
14. If repairs are needed, initiate job order through channels and record Work Order number on line no. 14.
15. Obtain requested information on any persons involved. Be as complete as possible.
16. Give requested information on any city or non-city-owned vehicle involved in the purpose of this report.
17. Give any recommendations for corrective actions that should be taken to avoid further incidents.
18. Name and title of person making this report. Date report made out.





City Bids Certification  
 300 N. Bixel Street  
 City Hall - 4th Floor  
 Los Angeles, CA 90012  
 Tel: 213-480-1135  
 Fax: 213-480-1010

# Bidder Certification CEC Form 50

*This form must be submitted to the awarding authority with your bid or proposal for the contract noted below. Please write legibly.*

☐ Original filing ☐ Amended filing (original signed on \_\_\_\_\_; last amendment signed on \_\_\_\_\_)

BID/Contract/BAVN Number \_\_\_\_\_ Awarding Authority (Department): \_\_\_\_\_

Name of Bidder: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

## CERTIFICATION

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

- A. I am a person or entity that is applying for a contract with the City of Los Angeles.
- B. The contract for which I am applying is an agreement for one of the following:
1. The performance of work or service to the City or the public;
  2. The provision of goods, equipment, materials, or supplies;
  3. Receipt of a grant of City financial assistance for economic development or job growth, as further described in Los Angeles Administrative Code § 10.40.1(h); or
  4. A public lease or license of City property where both of the following apply, as further described in Los Angeles Administrative Code § 10.37.1(f):
    - a. I provide services on the City property through employees, subcontractors, sublicensees, contractors, or subcontractors, and those services:
      - i. Are provided on premises that are leased frequently by substantial numbers of the public; or
      - ii. Could be provided by City employees if the awarding authority had the resources; or
    - iii. Further the proprietary interests of the City, as determined in writing by the awarding authority.
  - b. I am not eligible for exemption from the City's living wage ordinance, as eligibility is described in Los Angeles Administrative Code § 10.37.1(f)(b).

C. The value and duration of the contract for which I am applying is one of the following:

1. For goods or services contracts—a value of more than \$25,000 and a term of at least three months;
2. For financial assistance contracts—a value of at least \$100,000 and a term of any duration; or
3. For construction contracts, public leases, or Easements—any value and duration.

D. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information in this form is true and complete.

Date: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## SCOPE OF WORK OVERVIEW

|                           |  |
|---------------------------|--|
| <b>PROJECT</b>            | <b>First and Broadway Restaurant Complex</b>   |
| <b>LOCATION</b>           | <b>Downtown LA - Civic Center</b>  |
| <b>DEVELOPER</b>          | <b>First and Broadway Partners, LLC</b>  |
| <b>LANDLORD</b>           | <b>City of Los Angeles Department of Recreation and Parks</b>  |
| <b>PROJECT NARRATIVE</b>  | The scope of work entailed outlines the development of the Leasehold improvements for First and Broadway Restaurant Complex, a 10,995 square ft. three-story dining complex at the First and Broadway Park. Please note, Scope of Work is being developed in conjunction with the Department of Recreations and Parks, “Base Building” scope of work and deliverables. |
| <b>MINIMUM INVESTMENT</b> | <b>\$5,500,000</b>   |
| <b>PROJECT DATA</b>       | <u>Ground Floor Lease Space</u> 3,730 SF (w 1500 SF Beer Garden)<br><u>Second Floor Lease Space</u> 4,225 SF<br><u>Rooftop Lease Space</u> 3,040   |

### GENERAL CONDITIONS

The General Contractor (“GC”) shall be responsible for all general conditions of the project and shall comply with all City of Los Angeles (“City of LA”) and Governmental regulations governing the work. In particular, the Contractor shall visit the site and request all necessary permitted drawings from the City of LA as it relates to this project before bidding to thoroughly inspect existing structure and site and become familiar with any and all site conditions that may affect the scope of work. The Contractor will also comply with all Landlord’s Tenant requirements and terms of the Tenant’s agreement with the Landlord.

General conditions shall include but not limited to: temporary facilities; temporary power and telephone; weather enclosures and front entry/ host area protection (if required) project cleanup during and after construction; and all those services normally required for a project of this size. Confirm with Landlord all conditions for construction and make all necessary arrangements to complete the work within the parameters of the lease, tenant project requirements and City regulations including any necessary AQMD notifications.

All work shall be done with the minimum disruption to the adjacent tenants and following the Landlord regulations for tenant improvements. The Contractor shall review the Landlord work and confirm all work has been done to an agreed upon level. By accepting the space on behalf of the tenant at the start of construction the Contractor assumes all additional work necessary to bring tenant space to certificate of occupancy.

Please note that the Landlord is the Department of Recreations and Parks ("RAP") and The City of Los Angeles and has specific construction rules and requirements which as incorporated as part of these bid documents. In addition the Landlord requires the use of certain subcontractors, materials or vendors as noted on the cover sheet and in the documents.

**IMPORTANT NOTE:** This project is located on an all new City Park destination and is a new Base Building Build-out.

Developer will work with RAP and MLA to obtain "Base Building" drawings to develop Tennant Improvement Drawings.

## **CONCRETE**

No formal civil or structural evaluation of site, foundations, soils, or building structure has been done at this time. GC to inspect all City of LA final approved base building drawings, existing foundations and piers and may assume that only a very limited number of the existing structural foundations, footings, piers, caissons and piles can be utilized for the new construction.

## **STRUCTURE & FRAMING**

All new interior partition walls shall be metal stud construction and of the required thickness need to incorporate the mechanical or plumbing systems per code. New soffits shall be braced to accommodate concealed lighting and mechanical as shown in the drawings. Provide a minimum 1" thick fireproofing or of the necessary thickness need to meet current code on structural steel framing.

## **WATERPROOFING**

As necessary, provide elasto-meric waterproofing membrane in all 'wet areas' and as shown on plan including bar, kitchen, public restrooms, dish room, prep areas, walk in refrigerators, employee restroom, mop room, snack bar, water feature and any other area where water is present.

As necessary, provide approved elasto-meric waterproofing membrane in exterior patio areas, balconies and in second floor areas under new tile finish. Carry waterproof membrane a minimum of 12" high at adjacent walls. Provide for a comprehensive water test in all areas.

## **INSULATION**

The building must conform to the current Title 24 Energy Requirements for new commercial structures. This generally means that the wall system must achieve a minimum of R-19 rating as required by code. In addition, adjacencies to traffic has required us to include additional sound insulation strategies for all exterior walls. Provide additional sound bat insulation in any new exterior walls and in all interior walls between public and restroom, or back of house areas.

## **DOORS AND HARDWARE**

As necessary, provide new exterior metal doors, frames and hardware. Provide all necessary locking hardware, panic hardware, sound seal weather-stripping, threshold and closers as required. Provide new interior doors, frames and hardware. Provide all necessary hardware, door seals, sliding door hardware, and closers as required.

All hardware finish to be brushed stainless with clear lacquer coating.

## **CONCRETE FLOOR FINISH**

Score and stain according to Architect's approvals, and seal with slip-resistant approved sealer. Provide stain sample prior to installation, all work to match approved architect's sample. Provide new concrete sealer in all exposed area to meet Health Dept. code. Refer to A0.17 for sealer options.

Where leveling or topping of existing structural concrete slab is required provide smooth transitions between floor finishes using new self-leveling concrete system. All work to achieve a smooth transition between existing floor surfaces and new flooring materials with depressions as required.

## **CERAMIC TILE**

Provide new ceramic wall tile in bars, patio water feature, restrooms (as required), locker room and select kitchen, waiter areas and as shown in finish plan and elevations. Provide all necessary trim pieces as suggested by manufacturer or metal trim by Schluter as required.

Provide approved tile backer board such as Duralock or Densglass for all wall tiled areas and as shown on interior elevations. Provide colored epoxy grout to match approved sample.

All floor tile, grout and stone to be sealed with Miracle 511 IMPREGNATOR sealer or approved equal per manufacturer's instructions, three coats minimum.

## **ACOUSTIC CEILING SYSTEM**



Provide PHONSTOP 2" acoustic ceiling tile system by PINTA or approved equal in the soffit areas shown in plan. Provide all necessary track and support including slip track at walls and building expansion joints. Provide seismic bracing including tie wires and struts, and light fixtures attachments as required by code.

Provide a new 2x4 washable vinyl acoustic ceiling tile system in white by Armstrong or approved equal in the form as shown on the plans per Health Code to match Architect's approved samples for all Back of House areas.

#### **ACOUSTIC PLASTER CEILING SYSTEM**

Provide sound-absorbing plaster ceiling system by BASWA Phon or approved equal for all front of the house areas. Spring loaded acoustical system to carry through all restaurant areas (to be determined and finalized after review of City of LA final permitted plans). Provide all required backing, trim and details as per manufacturer instruction. Finish to be Classic Fine.

#### **FIBERGLAS REINFORCED PANEL SYSTEM**

Provide Fiberglas Reinforced panels [FRP] as indicated for kitchen walls, prep, and back of house areas to a height of 9'-6" AFF as required by Health Department and as shown on FSEC drawings. Provide FRP to bar area die walls and underside of interior bar counters. Provide all trims, transitions, and accessories as required.

#### **PAINTING**

Where practical the GC is directed to use only 'premium contractor grade' coatings and finish systems.

All new exterior and interior colors and finishes shall be by approved manufacturer formulated for the surface or material to which it is to be applied. All colors and finishes to match samples approved by the City of Los Angeles and Architect. Minimum one primer coat and two finish coats for all paint finishes.

Any new architectural metal, exterior paneling, awning or sign elements to be shop finished or powder-coated to match Architect's approved samples.

All new and existing interior surfaces including walls, trim, and existing ceiling to be cleaned, primed and painted. Sandblast, stain and seal exposed wood framing and truss members where exposed.

All new cabinetwork to be prepared, sanded and stained or painted per approved Interior Finish Schedule. All exposed surfaces to be finished and match Architect's approved samples.

As necessary, Restroom areas and Food Service Areas to receive approved washable paint finishes light in Health Code to match Architect's approved samples. Finish all under-counter surfaces. As necessary,

GC to provide all required foundations, blocking, supports, and electrical connections for mounting of awnings and umbrellas as shown.

## **SIGNS**

Provide complete sign package for code, directional and way-finding signs as design-build. See architectural drawings for all code required signs.

Provide allowance for new restaurant monument sign and other branded messaging on building.

## **MILLWORK**

Provide new built-in cabinetwork as shown on plans and per Millwork schedule. Refer to the Millwork Schedule for all millwork pieces noted on plans and interior elevations. Provide cost breakdown per item spreadsheet included.

All millwork to be American Woodworking Institute [AWI] 'PREMIUM GRADE' custom architectural cabinets. New millwork to be vertical grain White Oak with solid hardwood and veneer materials to match unless noted otherwise. Where exotic veneers are specified provide book-matched and sequential as noted.

Cabinet interiors to be AWI-approved MDF with white melamine finish as required by Health code. All work to be shop-finished to match finish sample approved by Architect. All surfaces to be finished whether or not visible to the public.

Provide a minimum of four [4] preliminary range finish samples and two [2] final finish samples for Owner review and approval.

Cabinet hardware to include high-quality concealed European type hinges [Hafele, Blum or equal], full extension ball-bearing drawer glides [Grant, Accuride or equal]. Provide high-quality locking hardware for all cabinets doors and drawers. All pulls and knobs by Owner, installed by contractor.

GC to provide fully-detailed shop drawings in CAD format based on architectural drawings. Where stone shop drawings are required, provide as part of the millwork package.

Provide for coordination, backing and installation of ALL millwork items and shelving as shown on plans. Where stone, tile, lighting, power or equipment by others is shown as part of the millwork, provide necessary coordination for required clearances, power and ventilation.

Architect to supply all necessary manufacturer data sheets prior to shop drawings. GC to coordinate electrician and millwork contractor for all wiring, access panels and connections.

All work from field-verified measurements, GC-provided and Architect-approved shop drawings, and from approved material and finish samples only.

## **FIRE/LIFE SAFETY, FIRE SPRINKLER SYSTEM, FIRE EXTINGUISHERS**

Provide fire/life safety system for complete project site as required by code.

Collaborate with RAP to develop automatic fire sprinkler system including interior and exterior areas as required by code. New fire sprinkler main, flow switch and alarm. All heads to be concealed type and exterior heads to be marine environment.

Provide a minimum of ten [10] new fire extinguishers in semi-recessed cabinets. Location and type as directed by Fire Marshal and approved by Architect.

## **FOOD SERVICE EQUIPMENT**

All Food Service equipment is by Owner or others. Included in this scope of work is backing, plumbing, mechanical and electrical connections, concrete curbs and pads, and required floor sinks shown on FSEC and MP&E drawings. Coordinate all-natural gas, power, low voltage controls, water and sanitary drain requirements for proposed equipment layout.

Contractor shall fully review FSEC drawings to be completely familiar with the work. Certain coordination in construction sequencing and installation is required to due physical dimensions and installation requirements of this equipment. Include in costs all necessary coordination and staging to complete the work.

Where practical the GC is directed to use only 'weather/marine grade' materials, fasteners, finishes and systems.

## **FURNISHINGS & DECORATIONS**

All interior furnishings such as chairs, tables, and decorative items supplied by Owner. Include with millwork costs all necessary trim and casing to provide neat appearance of installed items. Provide allowance for solid blocking where needed for any wall-mounted items.

All outdoor furnishing for exclusive use of restaurant patrons to be supplied by Owner. Additionally, all outdoor furnishings outside of tenant leased premises to be provided as mutually agreed upon with RAP.

## **ELEVATORS**

Collaborate with RAP to assure base building GC includes two new electric elevators one passenger and one for freight/service by Mitsubishi or equal. Each shall be three-stop with fully automatic controls. Cab finishes to be premium for passenger cab and standard for freight cab.

## **MECHANICAL/HVAC**

As necessary after review of final permitted base building plans, HVAC system scope of work shall include, but not limited to the following:

1. Provide and install all Mitsubishi high-efficiency split system HVAC units with roof top compressors and remote air handlers.
2. Provide and install new supply and return air ducts with electrical dampers, BDD, and connect to landlord provided rooftop units as shown on plans.
3. Provide and install rooftop Make up air and exhaust fans with factory roof curb, supply and Exhaust ductwork and registers as shown on plans.
4. Provide and install new grease exhaust fans per capacity shown on mechanical plans, with vibration isolation base. Connect the unit with all welded grease duct to hoods as shown on plans.
5. Provide grease duct (as shown and necessary).
6. Provide approved fire wrap for all grease ducts with access doors as required by CMC.
7. Provide make up air unit with heating section as specified on mechanical drawings.
8. Provide toilet exhaust fan as shown on plans and run ductwork using existing shaft (as needed).
9. Interlock make up air and outside air fan with exhaust system as shown on plans.
10. Provide fly fan (air door) at kitchen entry as shown.
11. Provide electrical dampers to air balance system on all branch takeoffs or where require to provide complete air balance, use remote damper controls where required by ceiling type.
12. Filters' MERV rating shall comply with Section 504.5.3.
13. Provide control system as shown on plans, all thermostat shall meet CEC requirements to be located in office. Remote thermostats are required.
14. Provide access to repair and service all indoor and outdoor units.
15. Tag all thermostats.
16. Provide certified air balance by certified mechanical vendor.
17. Interlock make up air with exhaust system as shown on plans.
18. All air-moving equipment, smoke fire dampers and smoke detectors shall be interlocked with Building's Fire life safety system.
19. Provide fly fan (air door) at entry as shown.
20. Provide manual dampers to air balance system on all branch take-offs or where require to provide complete air balance, use remote damper controls where required by ceiling type.
21. Filters' MERC rating shall comply with Section 504.5.3
22. Provide control system as shown on plans, all thermostat shall meet CEC requirements.
23. Provide certified air balance.
24. THE CONTRACTOR SHALL CONDUCT A DETAILED INVESTIGATION TO DETERMINE ALL OBSTRUCTIONS AND CONFLICTS WITH OTHER TRADE AND SHALL PRODUCE BIM MODEL FOR DUCT LAYOUTS AND EQUIPMENT LAYOUTS - WITH ADJUSTMENTS AS REQUIRED FOR FIELD CONDITIONS AND TO AVOID CONFLICTS WITH PROPOSED CEILING/ROOM HEIGHTS. FAILURE TO DO PROPER FIELD INVESTIGATION AND DUE DILIGENCE WILL NOT JUSTIFY CHANGE ORDERS.

## **PLUMBING**

Where practical the GC is directed to use only 'commercial grade' materials, fasteners, finishes and systems. Plumbing scope of work includes but not limited to the following:



1. Provide and install new domestic hot, cold and return water piping to existing service as shown on plans with associated valves, unions, backflow preventer, trap primers, water hammers arrestors and pipe insulation.
2. Provide and install new waste and vent system including clean outs and grease lines to existing grease interceptor provided by landlord.
3. Provide and install domestic hot water equipment including gas water heater, pump, unions, valves, mixing valves where required by code, aqua stat and time clock.
4. Provide and install condensate and relief discharge from air conditioning units, water heater and backflow preventers.
5. Provide and install plumbing fixtures including trap arms, fixture p-traps, angle stops and all associated connections.
6. Provide new gas piping to kitchen equipment, install regulator and related piping as shown on plans to point of connection by landlord.
7. Provide and install separate meter for interior landscape irrigation (as needed).
8. Provide for new fire sprinkler system throughout project.

## **ELECTRICAL**

1. New Electrical scope of work shall include, but not limited to (refer to construction electrical documents):
2. Field review of existing services, to verify that existing service is adequate for new application.
3. Provide all new feeders (copper conductors and conduits), utilizing existing conduits whenever possible.
4. Provide new area lighting and bar lighting (quantity and specifications by Architect) with wiring and installation.
5. Provide and install sensor rack control system module "DRd12-48-120" complete with all required accessories with built in override switch and astronomical time clock. install per manufacturer's instructions.
6. Occupancy sensor light switches for non-public areas including office, storage and mezzanine.
7. Provide provisions for Facade Signage, disconnect/wiring by Electrical contractor. Location and requirements by sign contractor
8. Provide general use receptacles and wiring for dining, toilet, offices, hallways and roof mezzanine level for HVAC units.
9. Provide GFCI receptacles with stainless steel cover plates within kitchen, Bar Area and Outdoor Patio or provide GFCI circuit breakers (verify receptacle configurations with kitchen consultant) and wiring to new panel board, conduit/wire sizes based on equipment ratings.
10. Provide power and wiring for remote refrigeration systems in the kitchen freezer, ice machine, walk in cooler and etc. Control wiring by Refrigeration Supplier. Provide Fire Rated penetration through demising walls for refrigerant and electrical lines.
11. Power and fused disconnect switches for HVAC, kitchen exhaust fan make up air and fly fan. Use HACR circuit breakers.
12. Provide and install all required wiring for the PCU system as per mechanical details, diagrams and notes.

13. Provide point of sale outlets.
14. Provide shunt trip circuit breaker for all outlets located under the hoods.
15. Provide new floor/wall mounted power/data outlets at host area, offices, service station, bar and remote printers.
16. Provide and install all new exit signs and emergency lighting as required. Egress lighting to meet code requirements, minimum one-foot candle.
17. Add provision for TV electrical outlets at bar areas.
18. All GFCI receptacles apply to commercial kitchen, wet locations and exterior.
19. Provide dedicated power circuits for computer, security system, cable TV, sound system, fire alarm system and telephone system. Individual systems provided by Owner.
20. Provide and install Infra-tech patio heaters and control system panels.
21. Provide sealing for any penetration to acoustical ceiling spaces see typical detail on electrical construction plan.
22. Provide power for new electric elevators, elevator machine room and necessary controls (as needed).
23. Refer to Lighting Design drawings for all architectural and decorative lighting, controls and zoning.

#### **ALARM, COMPUTER, SECURITY, CABLE TV AND SOUND SYSTEM**

Provide concealed conduit only for all sound system, telephone, computer, POS, cable TV and security system as required (wiring by individual vendor).

Provide telephone conduit to lower level elevator area.

Private and Public areas to have wall mounted speakers, coverage as required for even sound.

Speaker system to be from a central source located and controlled in Manager's office. Coordinate and provide required conduit for CCTV system AV consultant.

Provide fire suppressor/alarm at the kitchen A Fire-life safety control panel / cnunciator / smoke detectors, duct detectors, strobe lights, horns and pull station is required by code.

#### **CONTINGENCY**

Provide an additional 10% cost of construction for unforeseen expenses due to the nature of tenant improvements. Contingency to be allocated to costs as mutually agreed upon between Owner, Architect, and Contractor.

#### **INSURANCE, BUSINESS LICENSE, WORKMEN'S COMPENSATION**

Contractor and all major sub-contractors to provide evidence of current Workmen's Compensation and for all insurance coverage normally required for a project of this kind as to completely indemnify the Tenant,

Landlord and Architect from all claims arising from the work. The contractor shall hold and maintain a valid state contractor license and other business licenses as required by the County of Los Angeles to complete this work.

### **SUPERVISION, PROFIT AND OVERHEAD**

All supervision, profit and overhead to be included in Contractors' fee for the work. The Contractor shall identify by name and qualifications a full-time site supervisor who shall be present at the site during normal working hours and at all jobsite meetings.

Jobsite notes are solely the responsibility of the Contractor and shall be distributed no more than three [3] days after each site meeting. A current and updated schedule is to be presented at each scheduled site meeting, including a 3-week look ahead.

Contractor to provide standard hourly costs including all benefit for job supervisor, project manager, clerical and general job site labor.

In case the GC needs to replace the superintendent or project manager, the GC will add 2 (two) weeks of additional O&P to the overall construction schedule at no cost to the client.

An additional superintendent is required on site for the last 4 weeks to assist and complete all additional tasks.

### **BUSINESS LICENSE, INSURANCE, WORKMEN'S COMPENSATION**

The Contractor and all subcontractors shall hold and maintain a valid state contractor license and other business licenses as required by the City of Los Angeles to complete this work. Contractor and all subcontractors shall provide evidence of current Workmen's Compensation and for all insurance coverage normally required for a project of this type as to completely indemnify the Tenant, Landlord and Architect from all claims arising from the work. See Landlord Exhibits for specific insurance and licensing requirements.

### **END OF SECTION**