

Office of the Los Angeles City Attorney Hydee Feldstein Soto

REPORT NO. R 2 3 - 0 1 6 9 MAY 1 2 2023

REPORT RE:

DRAFT ORDINANCE AMENDING SECTIONS 10.1.1 AND 10.2 OF ARTICLE 1, CHAPTER 1, DIVISION 10 OF THE LOS ANGELES ADMINISTRATIVE CODE TO MAKES CHANGES TO THE REQUIREMENTS FOR WRITTEN CONTRACTS

The Honorable City Council of the City of Los Angeles Room 395, City Hall 200 North Spring Street Los Angeles, California 90012

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Section 10.2 of Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code (LAAC) to raise the threshold value above which contracts must be in writing from \$5,000 to \$25,000. The draft ordinance also amends LAAC Section 10.1.1 to be consistent with the change requested in LAAC Section 10.2.

Additionally, in light of several investigations that have been made public, this Office submits amendments to LAAC Sections 10.2 to reflect the legal and policy-related procedures of the newly created Office of Procurement. The amendments make the following changes:

- 1. Contracts for the procurement of goods in the amount of \$500 and over must be in writing (Cal. Commercial Code Section 2201);
- 2. The sale of real property or leasing of real property for more than a year must be in writing (Cal. Civil Code Section 1624);



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- 3. Contracts that by their terms are not to be performed within a year must be in writing (Cal. Civil Code Section 1624);
- 4. The City Attorney's Office will sign contracts as to form and legality; and
- 5. Contracts generated from Mayor-controlled departments and offices are subject to mayoral approval, and the person authorized to sign the contract on the department's behalf must certify that they have no beneficial or familial interest in the contract.

If you have any questions regarding this matter, please contact Deputy City Attorney Kimberly Miera at (213) 978-8130. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

Ву

Chief Assistant City Attorney

VLF:KM:ev Transmittal