

**COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF LOS ANGELES
AGENCY EQUAL BENEFITS POLICY**

(a) Legislative Findings. The Agency awards many contracts to private firms to provide services to the public and to the Agency. Many Agency Contractors and Subcontractors perform services that affect the proprietary interests of the Agency in that their performance impacts the success of Agency operations. The Agency holds a proprietary interest in the work performed by many Employees employed by Agency Contractors and Subcontractors. In a very real sense, the success or failure of Agency operations may turn on the success or failure of these enterprises, for the Agency has a genuine stake in how the public perceives the services rendered for them by these businesses.

Discrimination in the provision of Employee Benefits between Employees with domestic partners and Employees with spouses results in unequal pay for equal work. Los Angeles law prohibits entities doing business with the City from discriminating in employment practices based on marital status and/or sexual orientation. The City's departments and contracting agents are required to place in all City contracts a provision that the company choosing to do business with the City agrees to comply with the City's nondiscrimination laws.

It is the Agency's intent, through the contracting practices outlined in this Policy, to assure that those companies wanting to do business with the Agency will equalize the total compensation between similarly situated Employees with spouses and with domestic partners. The provisions of this Policy are designed to ensure that the Agency's Contractors will maintain a competitive advantage in recruiting and retaining capable Employees, thereby improving the quality of the goods and services the Agency and its people receive, and ensuring protection of the Agency's property.

(b) Definitions. For purposes of the Equal Benefits Policy only, the following shall apply.

(1) Agency means The Community Redevelopment Agency of the City of Los Angeles, California.

(2) Awarding Authority means the Agency, any department or unit of the Agency, or any employee or officer of the Agency, that is authorized to award or enter into any Contract, as defined in this Policy, on behalf of the Agency.

(3) Benefits means any plan, program or policy provided or offered by a Contractor to its employees as part of the employer's total compensation package. This includes but is not limited to the following types of benefits: bereavement leave, family

medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits, and travel benefits.

(4) Cash Equivalent means the amount of money paid to an employee with a Domestic Partner (or spouse, if applicable) in lieu of providing Benefits to the employee's Domestic Partner (or spouse, if applicable). The Cash Equivalent is equal to the direct expense to the employer of providing Benefits to an employee for his or her Domestic Partner (or spouse, if applicable) or the direct expense to the employer of providing Benefits for the dependents and family members of an employee with a Domestic Partner (or spouse, if applicable).

(5) City means the City of Los Angeles.

(6) Contract means an agreement the value of which exceeds \$5,000. It includes agreements for work or services to or for the Agency, for public works or improvements to be performed, agreements for the purchase of goods, equipment, materials, or supplies, or grants to be provided, at the expense of the Agency or to be paid out of monies under the control of the Agency. The term also includes a Lease or License, as defined in this Policy.

(7) Contractor means any Person, or any governmental entity acting in its proprietary capacity, that enters into a Contract with any Awarding Authority. The term does not include Subcontractors.

(8) Designated Administrative Agency (DAA) means the Office of the City Administrative Officer.

(9) Domestic Partners means any two adults, of the same or different sex, who have registered as domestic partners with a governmental entity pursuant to state or local law authorizing this registration or with an internal registry maintained by the employer of at least one of the domestic partners.

(10) Employee means any individual employed by a Contractor or Subcontractor.

(11) Equal Benefits Ordinance means Los Angeles Administrative Code Section 10.8.2.1, *et seq.*, as amended from time to time.

(12) Equal Benefits Policy means the Policy adopted by the Agency to assure the provision of Equal Benefits by Contractors or Subcontractors under specified conditions.

(13) Equal Benefits means the equality of benefits between Employees with spouses and Employees with Domestic Partners, between spouses of Employees and Domestic Partners of Employees, and between dependents and family members of spouses and dependents and family members of Domestic Partners.

(14) Lease or License means any agreement allowing others to use property owned or controlled by the Agency, any agreement allowing others the use of Agency property in order to provide services to or for the Agency, such as for concession agreements, and any agreement allowing the Agency to use property owned or controlled by others.

(15) Person means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into Contracts.

(16) Subcontractor means any Person, or any governmental entity, that assists the Contractor in performing or fulfilling the terms of the Contract. Subcontractors are not subject to the requirements of the Equal Benefits Policy unless they otherwise have a Contract directly with the Agency.

(c) Equal Benefits Requirements

(1) No Awarding Authority shall execute or amend any Contract with any Contractor that discriminates in the provision of Benefits between Employees with spouses and Employees with Domestic Partners, between spouses of Employees and Domestic Partners of employees, and between dependents and family members of spouses and dependents and family members of Domestic Partners.

(2) A Contractor must permit access to, and upon request, must provide certified copies of all of its records pertaining to its Benefits policies and its employment policies and practices to the Agency and the DAA, for the purpose of investigation or to ascertain compliance with this Equal Benefits Policy.

(3) A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment: "During the performance of a Contract with The Community Redevelopment Agency of the City of Los Angeles, California, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners." The posted statement must also include a City and/or an Agency contact telephone number which will be provided each Contractor when the Contract is executed.

(4) A Contractor must not set up or use its contracting entity for the purpose of evading the requirements imposed by the Equal Benefits Policy.

(d) Other Options for Compliance. Provided that the Contractor does not discriminate in the provision of Benefits, a Contractor may also comply with the Equal Benefits Policy in the following ways:

(1) A Contractor may provide an Employee with the Cash Equivalent only if the DAA determines that either:

a. The Contractor has made a reasonable, yet unsuccessful effort to provide Equal Benefits; or

b. Under the circumstances, it would be unreasonable to require the Contractor to provide Benefits to the Domestic Partner (or spouse, if applicable).

(2) Allow each employee to designate a legally domiciled member of the Employee's household as being eligible for spousal equivalent Benefits.

(3) Provide Benefits neither to Employees' spouses nor to Employees' Domestic Partners.

(e) Applicability

(1) Unless otherwise exempt, a Contractor is subject to and shall comply with all applicable provisions of the Equal Benefits Policy.

(2) The requirements of the Equal Benefits Policy shall apply to a Contractor's operations as follows:

a. A Contractor's operations located within the City limits, regardless of whether there are Employees at those locations performing work on the Contract.

b. A Contractor's operations on real property located outside of the City limits if the property is owned by the Agency or the Agency has a right to occupy the property, and if the Contractor's presence at or on that property is connected to a Contract with the Agency.

c. The Contractor's Employees located elsewhere in the United States but outside of the City limits if those Employees are performing work on the Agency Contract.

(3) The requirements of the Equal Benefits Policy do not apply to collective bargaining agreements ("CBA") in effect prior to the effective date of this Policy. The Contractor must agree to propose to its union that the requirements of the Equal Benefits Policy be incorporated into its CBA upon

amendment, extension, or other modification of a CBA occurring after the effective date of this Policy.

(f) Mandatory Contract Provisions Pertaining to Equal Benefits. Unless otherwise exempted, every Contract shall contain language that obligates the Contractor to comply with the applicable provisions of the Equal Benefits Policy. The language shall include provisions for the following:

(1) During the performance of the Contract, the Contractor certifies and represents that the Contractor will comply with the Equal Benefits Policy.

(2) The failure of the Contractor to comply with the Equal Benefits Policy will be deemed to be a material breach of the Contract by the Awarding Authority.

(3) If the Contractor fails to comply with the Equal Benefits Policy the Awarding Authority may cancel, terminate or suspend the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by the Agency. The Agency may also pursue any and all other remedies at law or in equity for any breach.

(4) Failure to comply with the Equal Benefits Policy may be used as evidence against the Contractor in actions taken pursuant to the provisions of the Agency's Contractor Responsibility Policy.

(5) If the Agency or the DAA determines that a Contractor has set up or used its Contracting entity for the purpose of evading the intent of the Equal Benefits Policy, the Awarding Authority may terminate the Contract on behalf of the Agency. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of the Agency's Contractor Responsibility Policy.

(g) Administration

(1) The DAA is responsible for the enforcement of the Equal Benefits Policy for all Agency Contracts. Each Awarding Authority shall cooperate to the fullest extent with the DAA in its enforcement activities.

(2) In enforcing the requirements of the Equal Benefits Policy, the DAA may monitor, inspect, and investigate to insure that the Contractor is acting in compliance with the Equal Benefits Policy.

(3) The DAA shall promulgate rules and regulations and forms for the implementation of the Agency Equal Benefits Policy which are consistent with those promulgated for implementation of the City's Equal Benefits Ordinance.

No other rules, regulations or forms may be used by an Awarding Authority of the Agency to accomplish this contract compliance program.

(h) Enforcement

(1) If the Contractor fails to comply with the Equal Benefits Policy:

a. The failure to comply may be deemed to be a material breach of the Contract by the Awarding Authority; or

b. The Awarding Authority may cancel, terminate or suspend, in whole or in part, the contract; or

c. Monies due or to become due under the Contract may be retained by the Agency until compliance is achieved;

d. The Agency may also pursue any and all other remedies at law or in equity for any breach.

e. The Agency may use failure to comply with the Equal Benefits Policy as evidence against the Contractor in actions taken pursuant to the provisions of its Contractor Responsibility Policy.

(i) Non-applicability, Exceptions and Waivers

(1) Upon request of the Awarding Authority, the DAA or the Agency Board of Commissioners by resolution, may waive compliance with the Equal Benefits Policy under the following circumstances:

a. The Contract is for the use of Agency property, and there is only one prospective Contractor willing to enter into the Contract; or

b. The Contract is for needed goods, services, construction of a public work or improvement, or interest in or right to use real property that is available only from a single prospective Contractor, and that prospective Contractor is otherwise qualified and acceptable to the Agency; or

c. The Contract is necessary to respond to an emergency that endangers the public health or safety, and no entity which complies with the requirements of the Equal Benefits Policy capable of responding to the emergency is immediately available; or

d. The City Attorney certifies in writing that the Contract involves specialized litigation requirements such that it would be in the best interests of the Agency to waive the requirements of the Equal Benefits Policy; or

e. The Contract is (i) with a public entity; (ii) for goods, services, construction of a public work or improvement, or interest in or right to use real property; and (iii) that is either not available from another source, or is necessary to serve a substantial public interest. A Contract for interest in or the right to use real property shall not be considered as not being available from another source unless there is no other site of comparable quality or accessibility available from another source; or

f. The requirements of the Equal Benefits Policy will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of the agency with respect to the grant, subvention or agreement, provided that the Awarding Authority has made a good faith attempt to change the terms or conditions of the grant, subvention or agreement to authorize application of the Equal Benefits Policy; or

g. The Contract is for goods, a service or a project that is essential to the Agency or City residents and there are no qualified responsive bidders or prospective Contractors who could be certified as being in compliance with the requirements of the Equal Benefits Policy; or

h. The Contract involves bulk purchasing arrangements through City, Agency, federal, state or regional entities that actually reduce the Agency's purchasing costs and would be in the best interests of the Agency.

(2) The Equal Benefits Policy does not apply to contracts which involve:

a. The investment of trust monies, bond proceeds or agreements relating to the management of these funds, indentures, security enhancement agreements (including, but not limited to, liquidity agreements, letters of credit, bond insurance) for Agency tax-exempt and taxable financings, deposits of the Agency's surplus funds in financial institutions, the investment of Agency monies in competitively bid investment agreements, the investment of Agency monies in securities permitted under the California State Government Code and/or the Agency's investment policy, investment agreements, repurchase agreements, Agency monies invested in U.S. government securities or pre-existing investment agreements;

b. Contracts involving Agency monies in which the City Treasurer, the Agency's Chief Financial Officer or the City Administrative Officer finds that either:

(i) No Person, entity or financial institution doing business in the City, which is in compliance with the Equal Benefits Policy, is capable of performing the desired transaction(s); or

(ii) The Agency will incur a financial loss or forego a financial benefit which in the opinion of the City Treasurer, the Agency's Chief Financial Officer or the City Administrative Officer would violate his or her fiduciary duties.

(3) The Equal Benefits Policy does not apply to contracts for gifts to the Agency.

(4) Nothing in this Subsection shall limit the right of the Agency to waive the provisions of the Equal Benefits Policy.

(5) The provisions of this Subsection shall apply to the Equal Benefits Policy only.

(j) Consistency with Federal or State Law. The provisions of the Equal Benefits Policy do not apply where the application of these provisions would violate or be inconsistent with the laws, rules or regulations federal or state law, or where the application would violate or be inconsistent with the terms or conditions of a grant or contract with the United States of America, the State of California, or the instruction of an authorized representative of any of these agencies with respect to any grant or contract.

(k) Severability. If any provision of the Equal Benefits Policy is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

(l) Timing of Application

(1) The requirements of the Equal Benefits Policy shall not apply to Contracts executed or amended prior to the effective date of this Policy, or to bid packages advertised and made available to the public, or any bids received by the Agency, prior to the effective date of this Policy, unless and until those Contracts are amended after the effective date set forth below and would otherwise be subject to the Equal Benefits Policy.

(2) The requirements of the Equal Benefits Ordinance shall apply to competitively bid Contracts that are amended on or after the effective date of this Policy and to competitively bid Contracts that result from bid packages advertised and made available to the public on or after the effective date of this Policy.

(3) Unless otherwise exempt, the Equal Benefits Policy applies to any agreement executed or amended on or after the date which is 31 days following approval of this Policy by the Los Angeles City Council that meets the definition of a Contract as defined herein.

(m) Amendment

This Agency Equal Benefits Policy may be amended by the Agency Board of Commissioners at any time, subject to City Council review and approval. In addition, if the City amends the City's Equal Benefits Policy as set forth in the City Administrative Code at Section 10.8.2.1, Agency staff shall, within 60 days of the effective date of any such amendment, inform the Agency Board of any such amendment and provide to the Board a proposed amendment to this Policy to bring the Policy into conformance with the Ordinance as so amended. The Agency Board of Commissioners shall consider a corresponding amendment to this Policy at a duly noticed meeting not less than seven nor more than 45 days following the presentation of the proposed amendment to the Agency Board by Agency staff. If the Agency Board adopts any such amendment to bring the Policy into conformance with the amended Ordinance, it shall be deemed approved ten days following transmittal to the City Council of notice of the Board's action. If the Agency Board approves any amendment to the Policy that does not bring the Policy into conformance with the amended Ordinance, such amendment to the Policy shall be subject to City Council review and approval, and shall take effect 31 days after said approval by the City Council.

Adopted by the Community Redevelopment Agency Board of Commissioners May 29, 2003
Approved by the Los Angeles City Council September 26, 2003
Effective October 28, 2003