

**STUDY OF HOMELESS COST AVOIDANCE IN THE SKID ROW  
COLLABORATIVE PROJECT  
Los Angeles Homeless Services Authority Contract Number 2007PSA01  
Subcontractor Agreement between Economic Roundtable and  
County of Los Angeles Chief Executive Office, Service Integration Branch,  
Research and Evaluation Services**

This agreement ("Agreement") is entered into on October 15, 2008 by and between Economic Roundtable and Los Angeles County Chief Executive Office, Service Integration Branch, Research and Evaluation Services ("Subcontractor") (collectively, the "Parties").

Whereas Economic Roundtable is a California nonprofit public benefit corporation tax-exempt pursuant to Internal Revenue Code §501(c)(3) and California Revenue and Taxation Code §23701d, the specific purposes of which are to educate and to provide scientific and charitable assistance to the general public by conducting research and public benefit programs addressing labor, industrial, and human service needs, and desires to enter into this Agreement in furtherance of these charitable purposes;

Whereas, Economic Roundtable, as the contracting entity for a project team ("Team") submitted a proposal ("Proposal") to the Los Angeles Homeless Services Authority ("LAHSA") in response to the LAHSA's Request for Qualifications to prepare an economic study of the public costs avoided as a result of housing and services provided by the Skid Row Collaborative Project;

Whereas, this Proposal was selected for funding;

Whereas, Subcontractor wishes to participate in the Team and is qualified by reason of experience, preparation, organization, staffing, and facilities to provide services;

Whereas, Economic Roundtable, as contracting entity, has entered into an Agreement with the Los Angeles Homeless Services Authority ("LAHSA Agreement") for Contract Number 2007PSA01, and an Amendment to the Agreement, copies of which are attached hereto and incorporated herewith;

Now, therefore, in consideration of the mutual covenants contained herein and the mutual benefits derived therefrom, the parties agree as follows:

1. The term of this Agreement shall commence on the date of execution and end 12 months from that date and any additional period of time as is required to complete any necessary close-out activities.


2. Subcontractor will fully and completely perform the services as described in Exhibit A to this Agreement (which identifies Subcontractor's tasks and the firm, fixed-price compensation for each task), and Amendments to Exhibit A. Those services will be provided at Subcontractor's sole expense.
3. Subcontractor will not assign or subcontract its duties to others.
4. Subcontractor will submit invoices on a firm, fixed-price basis detailing deliverables produced and accepted by LAHSA. Economic Roundtable will reimburse Subcontractor, according to the LAHSA Agreement and Amendments thereto, and Exhibit A and Amendments thereto, subject to the receipt of funds by Economic Roundtable from LAHSA and the satisfactory provision of services by Subcontractor. In no case will Subcontractor be paid before Economic Roundtable receives payment for Subcontractor's work from LAHSA. Payments to Subcontractor may not exceed the amount specified in Exhibit A and Amendments thereto, but may be less, depending upon actual services provided.
5. All services provided by Subcontractor shall be performed as an independent contractor. Subcontractor shall be responsible for managing and supervising its own employees and subcontractors and for payment and withholding of all applicable employee and other taxes. Subcontractor is neither a joint venturer nor partner of Economic Roundtable as defined by California law.
6. Research conducted by Subcontractor under this agreement shall be subject to review and oversight by the Economic Roundtable's Institutional Review Board to protect human subjects by ensuring that they are aware of their rights and protections, that the risk of harm to them is minimized, and that benefits from research are maximized.
7. When copyrightable material is developed in the course of this Agreement, the author is free to copyright the material or to permit others to do so. LAHSA and Economic Roundtable will have a non-exclusive, irrevocable, perpetual and royalty-free license to copy, publish, distribute, create derivatives, use, and authorize others to use all intellectual property so produced for any charitable or public purpose.
8. Each party shall defend, indemnify and hold the other party, its officers, employees and agents harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of this agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officers, agents or employees.

9. In the performance of its services, Subcontractor agrees that it will comply with all laws, ordinances, rules and regulations of any government or administrative agency, federal, state, or local, that affect performance of its services.
10. Termination
  - A. Either party to this Agreement may terminate this Agreement upon giving the other party at least thirty (30) days written notice prior to the effective date of such termination, which date shall be specified in such notice.
  - B. In the event of early termination, all property, documents, data, studies, reports and records purchased or prepared by the Subcontractor under this Agreement shall be provided to Economic Roundtable.
  - C. In the event that the Subcontractor ceases to operate (i.e. dissolution of corporate status, declaration of bankruptcy, etc.) Subcontractor shall provide to Economic Roundtable copies of all records relating to this Agreement.
  - D. Upon satisfactory completion of all termination activities, Economic Roundtable shall determine the total amount of compensation that shall be paid to the Subcontractor for any unreimbursed expenses reasonably and necessarily incurred in the satisfactory performance of this Agreement.
  - E. Economic Roundtable may withhold any payments due to the Subcontractor until such time as the exact amount of any damages that may be due to Economic Roundtable from the Subcontractor is determined.
  - F. The foregoing Subsections B, C, D, and E shall also apply to activities terminating upon the date specified in Paragraph 1 of this Agreement or upon completion of the performance of this Agreement.
11. This Agreement may be amended only in writing executed by Economic Roundtable and Subcontractor.
12. This Agreement will be governed by and construed in accordance with California law.
13. If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, unless such enforcement would frustrate the purpose of this Agreement.

14. This Agreement may be executed in counterparts, and each counterpart shall be deemed an original instrument, but all of them together will constitute but one Agreement.

Executed and agreed to by:

  
\_\_\_\_\_  
Daniel Flaming, President  
Economic Roundtable

  
\_\_\_\_\_  
William T. Fujioka  
Chief Executive Officer  
County of Los Angeles

Date: October 15, 2008

Date: 10-28-08

## EXHIBIT A

### SUBCONTRACTOR TASKS AND FIRM, FIXED-PRICE COMPENSATION FOR EACH TASK

Subcontractor, Los Angeles County Chief Executive Office, Service Integration Branch, Research and Evaluation Services, will carry out the following tasks as part of the Economic Roundtable team that is conducting a study of homeless cost avoidance in the Skid Row Collaborative project under contract number 2007PSA01 with the Los Angeles Homeless Services Authority (LAHSA). The numbering of tasks listed below corresponds with task numbers in the Scope of Work and Fee Schedule (Exhibits A and B) of the LAHSA Agreement. All work done by Subcontractor will be performed on a firm, fixed-price basis. Following terms of payment set forth in the agreement with LAHSA, there will be two payments for each deliverable after it is approved by LAHSA. The first payment will be 90 percent of the total compensation for the task and will be paid after LAHSA accepts the deliverable and provides payment to the Economic Roundtable. The second payment will be the remaining 10 percent of compensation for the task and will be paid after acceptance of the final project report by LAHSA and project closeout. Upon receipt of Subcontractor's invoice, the Economic Roundtable will provide payments to Subcontractor within 14 days of receiving payment from LAHSA.

**3. Data Linkage to Produce Service Data for Project Participants and Mentally Ill Homeless General Relief Recipients**

The CEO-SIB, with active support and participation from the Economic Roundtable, will seek agreement to link records from the county departments of Public Social Services, Public Health, Probation, Mental Health, Health Services, Children and Family Services, and Sheriff. Tasks include:

- a. Prepare any needed correspondence for the Executive Director of LAHSA to send to the CEO's office for county departments requesting cooperation and assistance.
- b. Link and de-identify records from all participating departments for homeless, mentally ill General Relief recipients who will be used to create the control group and as a general context for cost comparisons.
- c. Link and retain identifying data for all project participants who have signed consent forms.

*Total firm, fixed-price compensation for completion and LAHSA acceptance of Task 3 will be \$22,000, disbursed as follows:*

- 90% after acceptance and payment by LAHSA = \$19,800
- 10% after acceptance of final report and project closeout payment by LAHSA = \$2,200

**4. Identify Study Cohorts and Subpopulations**

- a. CEO-SIB will actively assist and collaborate with the Economic Roundtable in developing a propensity scoring method and review the comparison group that is identified using this method with the project sponsor.

- b. CEO-SIB will actively assist and collaborate with the Economic Roundtable and the sampling statistician, Gerald Sumner, in conducting propensity score matching to identify a comparison group of chronically homeless, mentally ill Skid Row residents that is closely matched to the project group based on common data fields in both data sets.
- c. CEO-SIB will actively assist and collaborate with the Economic Roundtable and the sampling statistician, Gerald Sumner, in identifying in the linked data the population from which study participants was drawn: mentally ill, chronically homeless General Relief recipients. This is referred to as the reference group as it provides the context for the analysis of project participants and their comparison subjects.
- d. CEO-SIB will actively assist and collaborate with the Economic Roundtable and the sampling statistician, Gerald Sumner, in identifying cohorts within the project participants that are of clinical, analytic or policy interest to use for more detailed analysis and comparison with the control group and the reference group.

*Total firm, fixed-price compensation for completion and LAHSA acceptance of Task 4 will be \$2,000, disbursed as follows:*

- 90% after acceptance and payment by LAHSA = \$1,800
- 10% after acceptance of final report and project closeout payment by LAHSA = \$200

**5. Develop Cost Data for Typical Units of Service**

The CEO-SIB, with active support and participation from the Economic Roundtable, will use cost data from county departments to delineate service costs by unit of service. Cost data and cost estimating methodology will be submitted for review and approval by the project sponsor.

*Total firm, fixed-price compensation for completion and LAHSA acceptance of Task 5 will be \$3,000, disbursed as follows:*

- 90% after acceptance and payment by LAHSA = \$2,700
- 10% after acceptance of final report and project closeout payment by LAHSA = \$300

**6. Cost Analysis**

CEO-SIB will actively assist and collaborate with the Economic Roundtable in producing cost and cost avoidance estimates. Tasks include:

- a. Generate costs for the reference group of mentally ill, chronically homeless General Relief recipients and subgroups within this population. These will be for the same time period as the costs generated for the project participants (Pre and Post).
- b. Pre-program costs for project participants and the propensity score based comparison group.
- c. Post-program costs for project participants and the propensity score based comparison group.

- d. Assessment of the extent to which costs for project participants are representative of costs for the reference group before they entered supportive housing.
- e. Cost avoidance estimates for project participants and potentially avoidable costs for the overall population of mentally ill, chronically homeless General Relief recipients. Both will be broken out by:
  - i. Cost without supportive housing;
  - ii. Costs with supportive housing;
  - iii. Cost avoidance measured in dollars; and
  - iv. Cost avoidance measured in percent.

*Total firm, fixed-price compensation for completion and LAHSA acceptance of Task 6 will be \$8,000, disbursed as follows:*

- 90% after acceptance and payment by LAHSA = \$7,200
- 10% after acceptance of final report and project closeout payment by LAHSA = \$800

**8. Report and Stakeholder Briefing**

CEO-SIB will actively assist and collaborate with the Economic Roundtable in producing a report and provide briefings on project findings. Tasks include:

- a. Prepare a report on project findings using both narrative and data tables and charts to explain procedures used in the project, finding, and recommendations.
- b. Provide up to three briefings or presentations to stakeholders on project findings and recommendations.

*Total firm, fixed-price compensation for completion and LAHSA acceptance of Task 8 will be \$5,000, disbursed as follows:*

- 90% after acceptance and payment by LAHSA = \$4,500
- 10% after acceptance of final report and project closeout payment by LAHSA = \$500