

AGREEMENT FOR APPRAISAL SERVICES

PROPERTY:

[Insert property address]

APPRAISER:

[Insert name]

[Insert entity type]

Date:

[Insert date]

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LIST OF EXHIBITS

Exhibit A—Scope of Services

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AGREEMENT FOR APPRAISAL SERVICES

This Agreement for Appraisal Services (this “**Agreement**”), dated for reference purposes as of [Insert Date], is entered into by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**City**”), acting by and through its Real Estate Division (“**RED**”), and [Insert Contractor Name], a [State of Formation] [Entity Type]. (“**Appraiser**” or “**Contractor**”), with reference to the following facts and understandings:

RECITALS

A. WHEREAS, Appraiser was competitively selected pursuant to a Request for Qualifications entitled “Real Estate Appraisal Services” issued through Sourcing Event ID [Enter Number] (the “**RFQ**”), and City selected the Appraiser as a qualified respondent to be part of its prequalified pool of up to nine (9) appraisers (the “**Prequalified Pool**”); and

B. WHEREAS, Appraiser represents and warrants that it is qualified to perform the appraisal services required by City contemplated under this Agreement, as may be amended or supplemented from time to time; and

C. WHEREAS, approval for this Agreement was obtained on March 31, 2026, from the Civil Service Commission under PSC number DHRPSC0006214, which authorizes the award of multiple agreements, the total value of which cannot exceed One Million Eight Hundred Thousand Dollars (\$1,800,000.00), with no single contract exceeding the amount of Two Hundred Thousand Dollars (\$200,000), and the individual duration of which may not exceed five (5) years; and

D. WHEREAS, because the exact nature and timing of the City’s need for appraisal services could not be predetermined at the time of the issuance of the RFQ, City intends to prepare specific appraisal service requirements for each future project at the time the scope for the needed appraisal services is determined, and to then request bids (“**Bidding Package**”) from the Prequalified Pool for the services; and

E. WHEREAS, Appraiser acknowledges that this Agreement does not in any way guarantee Appraiser an award under any future Bidding Package, and if Appraiser is selected through the Bidding Package process during the Term of this Agreement, the scope of work to be performed by Appraiser shall be documented in an addendum (each an “**Addendum**”), which shall be appended to this Agreement and made apart hereof; and

F. WHEREAS, City and Appraiser now desire to enter into this Agreement to memorialize the terms of their agreement, which shall govern the relationship between the Parties should Appraiser be selected in connection with any future Bidding Package during the term hereof.

NOW, THEREFORE, The parties hereto agree as follows:

1. Employment of Appraiser

Should City select Appraiser in connection with a Bidding Package under the Real Estate Division's Prequalified Pool of appraisers program, Appraiser will execute an individual addendum. Each Addendum will detail the scope of work for the appraisal services to be performed by Appraiser and set forth the compensation for such work. Appraiser agrees to perform the specified services for which Appraiser is selected under a Bidding Package and described in the Addendum, on the terms and conditions set forth therein and as set forth below.

2. Addendum

Appraiser acknowledges and agrees that once RED issues an Addendum under this Agreement, the scope of work, time, and price set forth in the Addendum shall be binding on Contractor as though fully incorporated into this Agreement. This Agreement shall serve as an umbrella Agreement and will govern any future Addendum that may be awarded to Appraiser in connection with a Bidding Package. Any Addendum awarded to Appraiser during the Term of this Agreement shall be appended to this Agreement and made a part hereof. In the event of any conflict between an Addendum and the terms hereof, the terms of this Agreement shall control.

3. Purpose of Appraisal

The purpose of the analysis to be performed and the report, certification and / or other documentation to be delivered by Appraiser to City (hereinafter, the "**Deliverables**") that may be attached to this Agreement following the selection of Appraiser under a Bidding Package is to provide the City's Real Estate Division with the Appraiser's expert analysis called for in the scope of work set forth in the addenda to be attached to this Agreement following an award. Appraiser understands and agrees that City will rely fully on the Deliverables for such purpose. The City intends to use the appraisal report in connection with existing or future real estate negotiations, and Appraiser agrees to keep the Deliverables and work product under this Agreement confidential, and not to release the Deliverables or work product to any person other than the City, except to the extent required by applicable law.

4. Compensation

(a) **Contract Not to Exceed Amount.** The amount of this Agreement shall not exceed [REDACTED] (the "**Total Not to Exceed Amount**"). The Total Not to Exceed Amount shall be reduced by the compensation to be paid by City to Appraiser upon successful completion of the scope of work set forth in each corresponding Addendum. Notwithstanding the foregoing, Appraiser acknowledges and agrees that while the Total Not to Exceed Amount is the maximum amount for which City may contract, City is not obligated not required to exhaust the Total Not to Exceed Amount.

(b) **No Interest or Late Charges.** In no event shall City be liable for interest or late charges for any late payments.

(c) **Independent Opinion.** The compensation to be paid to Appraiser for the performance of the work contemplated under this Agreement is not in any way contingent upon the opinions or value conclusions of Appraiser. Furthermore, Appraiser is specifically directed by City not to deliver any opinion of value other than its own independently determined opinions produced by its own investigation, using acceptable professional standards.

5. Method of Payment

Invoices furnished by Appraiser under this Agreement must be in a form acceptable to the City's Controller (the "**Controller**"), showing the PeopleSoft Purchase Order ID Number, PeopleSoft Supplier Name and ID, and Item numbers (if applicable). All amounts paid by City to Appraiser shall be subject to audit by City. Payment shall be made by City to Appraiser at the address for notices stated herein, or at such other address as Appraiser shall provide City with written notice of no less than fifteen days in advance.

Appraiser acknowledges that under Section 6.10-2 of the San Francisco Business and Tax Regulations Code, the City's Treasurer and Tax Collector may require the withholding of payments to any vendor that is delinquent in the payment of any amounts that the vendor is required to pay the City under the San Francisco Business and Tax Regulations Code. If any payment City is required to make to Appraiser under this Agreement is withheld under that authority, then City will not be in breach or default under this Agreement and the Treasurer and Tax Collector will authorize release of any payments withheld under this paragraph to Appraiser, without interest, late fees, penalties, or other charges, once Appraiser returns to compliance with its San Francisco Business and Tax Regulations Code obligations.

6. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation

This Agreement is subject to the budgetary and fiscal provisions of the City's Charter. Charges will accrue only after the Controller has certified the availability of funds for payment under this Agreement. Any amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and the period stated in such advance certification.

7. Effective Date of Agreement; Term

This Agreement shall become effective on the latter of the date when the parties have fully executed and delivered this Agreement and the date the Controller has certified to the availability of funds (the "**Effective Date**") and shall terminate on the day before the fifth (5th) anniversary of the Effective Date, unless earlier terminated.

8. Qualifications of Appraiser

Appraiser represents and warrants to City that Appraiser is qualified to render the appraisal services contemplated hereunder and that it is familiar with recognized appraisal practices and with the standards required for determining values of real property.

9. Personnel

(a) All work performed under this Agreement shall be performed only by personnel under the supervision and in the employment of Appraiser. All personnel engaged in the work shall be fully qualified and shall be authorized, licensed and certified under State and local law to perform such work if authorization, licensing or certification is required.

(b) The name and license number of the responsible personnel performing the appraisal services shall be provided for each awarded Addendum.

(c) Appraiser shall not subcontract any work to be performed under this Agreement unless Appraiser first obtains the prior written approval of the Director of Property.

10. Incomplete Work

Neither the performance of any work by Appraiser nor City's acceptance of the Deliverables shall relieve Appraiser from the obligation to correct any inaccurate or incomplete work. Appraiser shall promptly remedy all inaccurate or incomplete work, on demand, without cost to City.

11. Ownership of Documents

All Deliverables prepared by Appraiser pursuant to this Agreement, including the appraisals, appraisal reviews, valuation certifications and any other document containing any opinions or analysis of Appraiser, shall be and remain the property of City and shall be delivered by Appraiser to City upon completion of the work hereunder. Appraiser may retain and use copies of such reports for reference and as documentation of its experience and capabilities.

12. Changes in Scope of Work

Changes in Scope of Work. RED may, from time to time, require changes in the scope of the work to be performed by Contractor. Such changes, including any increases or decreases in the amount of Contractor's compensation that City and Appraiser may mutually agree to and shall be set forth in written amendments to each Addendum, are subject to the provisions of the City's Charter. Contractor acknowledges and agrees that officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, services beyond the scope of services listed in each Addendum. In no event shall the aggregate compensation earned by Appraiser under the addenda that may be awarded to Appraiser during the Term of this Agreement exceed the not to exceed amount set forth in Section 4 (a) above.

13. Termination

(a) City shall have the right, at its sole option, to terminate this Agreement at any time, with or without cause. Termination shall be effective immediately upon Appraiser's receipt of written notice of termination, and thereupon Appraiser shall have no further rights under this Agreement. In the event of such termination, Appraiser shall be paid for any work under this Agreement that has been performed to the satisfaction of the Director of Property, up to the effective date of termination. Any such payment

shall be based upon the percentage of work completed multiplied by the total compensation provided for in the Addendum in place on the date termination.

(b) Upon termination of this Agreement, Appraiser shall submit an invoice to City for an amount which it believes to be due and owing to it based upon the formula set forth in subsection (a) directly above. Upon City's request, Appraiser shall provide any additional back-up information or documentation to support such invoice. Upon City's approval and payment of the invoice, City shall be under no further obligation to Appraiser monetarily or otherwise.

14. Bankruptcy

In the event that either party shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of rights of creditors, then at the option of the other party this Agreement shall terminate and be of no further force or effect, and any property or rights of such other party, tangible or otherwise, shall be immediately returned to it.

15. Indemnification

Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of any person, including employees of City or Contractor; and (ii) loss of or damage to property arising directly or indirectly from Contractor's performance of this Agreement and any Addendum that may be attached hereto, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except to the extent that such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons arising directly or indirectly from the receipt by City, or any of its officers or agents, of Contractor's services under this Agreement.

16. Incidental and Consequential Damages

Appraiser shall be responsible for incidental and consequential damages resulting in whole or in part from Appraiser's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights which City may have under applicable law.

17. Liability of City

CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE AGGREGATE COMPENSATION EARNED BY APPRAISER UNDER THE ADDENDA AWARDED TO APPRAISER DURING THE TERM OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

18. Insurance

(a) Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(i) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(ii) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(iii) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and

(iv) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

(v) Cyber and Privacy Liability Insurance with limits of not less than \$1,000,000 per claim. Such insurance shall include coverage for liability arising from theft, dissemination and / or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protect health information or other personally identifiable information, stored or transmitted in electronic form.

(b) Commercial General Liability and Commercial Automobile Liability Insurance policies must include as Additional Insured:

(i) The City and County of San Francisco, its Officers, Agents, and Employees.

(ii) Both such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

(c) Thirty (30) days' advance written notice shall be provided to City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment for which no less than ten (10) days' notice shall be provided to City. Notices shall be sent to City address set forth below:

Director of Property
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102

(d) Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

(e) Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

(f) Before commencing any services under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

(g) The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

(h) If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

19. Assignment

The services to be performed by Appraiser hereunder are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by Appraiser, unless

first approved by City by written instrument executed and approved in the same manner as this Agreement.

20. Independent Contractor; Contractor Non-performance; Notice and Cure; Payment of Taxes and Other Expenses

(a) Independent Contractor. Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this Section.

(b) Contractor Non-performance; Notice and Cure. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement and City elects to require Contractor to cure that failure, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding the foregoing provisions of this Subsection (b), if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

(c) Payment of Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by

Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two sentences shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorney's fees, arising from this section.

21. Conflicts of Interest

Through its execution of this Agreement, Appraiser acknowledges that it is familiar with the provisions of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Sections 87100 et seq. and Sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

22. Proprietary or Confidential Information of City

Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

23. Copyright

No reports or other documents produced in whole or in part under this Agreement shall be the subject of any application for copyright by or on behalf of Appraiser.

24. Audit and Inspection of Records

Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five (5) years after final payment under this Agreement or until after final audit has been resolved, whichever

is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

25. Appraisal Coordination

Appraiser shall coordinate its work hereunder with the Director of Property or any other agents or contractors of City selected by the Director of Property.

26. Local Business Enterprise (LBE) Ordinance

If Appraiser proposes to subcontract any of the work under this Agreement and the Director of Property approves any such subcontracting, Appraiser shall comply with the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (the “**LBE Ordinance**”). Failure to comply with the LBE Ordinance as and when required shall be a material default under this Agreement.

27. Drug-Free Workplace Policy

Appraiser acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City property. Appraiser agrees that any violation of this prohibition by Appraiser, its employees, agents or assigns will be deemed a material breach of this Agreement.

28. Resource Conservation; Liquidated Damages

Chapter 5 of the San Francisco Environment Code is incorporated herein by reference. Failure by Appraiser to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

In the event Appraiser fails to comply in good faith with any of the provisions of Chapter 5, Appraiser will be liable for liquidated damages in an amount equal to Appraiser’s net profit under this Agreement, or five percent (5%) of the total contract amount, whichever is greater. Appraiser acknowledges and agrees that the liquidated damages assessed shall be payable to City upon demand and may be offset against any monies due to Appraiser from any contract with City.

29. Sunshine Ordinance

Contractor acknowledges that this Agreement and all records related to its formation, Contractor’s performance of services under this Agreement, and City’s payment are subject to the California Public Records Act (California Government Code § 7920 et seq.), and the San Francisco Sunshine Ordinance (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state, or local law.

30. Taxes

Payment of any taxes, including California sales and use taxes, levied upon this Agreement or the services delivered pursuant hereto, shall be the obligation of Appraiser.

31. Notification of Prohibition on Contributions

Through its execution of this Agreement, Appraiser acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, or for the furnishing of any materials, supplies, or equipment, or for selling or leasing of any land or building to or from any department of the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or twelve (12) months after the date the contract is approved. Appraiser acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$100,000 or more. Appraiser further acknowledges that the (i) prohibition on contributions applies to each Appraiser; each member of Appraiser's board of directors, and Appraiser's chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than ten percent (10%) in Appraiser; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Appraiser; and (ii) within thirty (30) days of the submission of a proposal for the contract, the City department with whom Appraiser is contracting is obligated to submit to the Ethics Commission the parties to the contract and any subcontractor. Additionally, Appraiser certifies that Appraiser has informed each of the persons described in the preceding sentence of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

32. Requiring Minimum Compensation for Covered Employees

(a) Appraiser agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance ("MCO"), as set forth in San Francisco Labor and Employment Code Article 111 ("Article 111"), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 111.5 and 111.6 of Article 111 are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Appraiser's obligations under the MCO is set forth in this Section. Appraiser is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Appraiser to pay Appraiser's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Appraiser is obligated to keep informed of the then-current requirements. Any subcontract entered into by Appraiser shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Appraiser's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Appraiser.

(c) Appraiser shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within ninety (90) days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Appraiser shall maintain employee and payroll records as required by the MCO. If Appraiser fails to do so, it shall be presumed that the Appraiser paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Appraiser's job sites, conduct interviews with employees, and conduct audits of Appraiser.

(f) Appraiser's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Appraiser fails to comply with these requirements. Appraiser agrees that the sums set forth in Section 111.8 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Appraiser's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 111.9 of Article 111.

(g) Appraiser understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Article 111 (including liquidated damages), under the terms of the contract, and under applicable law. If, within thirty (30) days after receiving written notice of a breach of this Agreement for violating the MCO, Appraiser fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Appraiser fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 111.7(c) of Article 111. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Appraiser represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Appraiser is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Appraiser later enters into an agreement or agreements that cause Appraiser to exceed that amount in a fiscal year, Appraiser shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Appraiser and this department to exceed \$25,000 in the fiscal year.

33. Requiring Health Benefits for Covered Employees

Unless exempt, Appraiser agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (“HCAO”), as set forth in San Francisco Labor and Employment Code Article 121 (“**Article 121**”), including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Article 121 are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the HCAO is available on the web at <http://www.sfgov.org/olse/hcao>. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Article 121.

(a) For each Covered Employee, Appraiser shall provide the appropriate health benefit set forth in Section 121.3 of the HCAO. If Appraiser chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Appraiser is a small business as defined in Section 121.3(g) of the HCAO, it shall have no obligation to comply with subsection (a) above.

(c) Appraiser’s failure to comply with the HCAO shall constitute a material breach of this Agreement. City shall notify Appraiser if such a breach has occurred. If, within thirty (30) days after receiving City’s written notice of a breach of this Agreement for violating the HCAO, Appraiser fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Appraiser fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in Section 121.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Appraiser shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Appraiser shall notify City’s Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Appraiser shall be responsible for its Subcontractors’ compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Appraiser based on the Subcontractor’s failure to comply, provided that City has first provided Appraiser with notice and an opportunity to obtain a cure of the violation.

(e) Appraiser shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Appraiser's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Appraiser represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Appraiser shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Appraiser shall keep itself informed of the current requirements of the HCAO.

(i) Appraiser shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Appraiser shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten (10) business days to respond.

(k) Appraiser shall allow City to inspect Appraiser's job sites and have access to Appraiser's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Appraiser to ascertain its compliance with HCAO. Appraiser agrees to cooperate with City when it conducts such audits.

(m) If Appraiser is exempt from the HCAO when this Agreement is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000), but Appraiser later enters into an agreement or agreements that cause Appraiser's aggregate amount of all agreements with City to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Appraiser and the City to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.

34. Notices

Except as otherwise expressly provided herein, any notices given under this Agreement shall be effective only if in writing and given by delivering the notice in person, by sending it first-class mail or certified mail with a return receipt requested, postage prepaid, or overnight courier, addressed as follows:

City: Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Attn: Director of Property

Appraiser: [Insert Appraiser Company Name]
[Address]

Notices herein shall be deemed given two (2) days after the date when it shall have been mailed if sent by first class, certified or overnight courier, or upon the date personal delivery is made.

35. Submitting False Claims; Monetary Penalties

Appraiser acknowledges and agrees that it is a “contractor” under and is subject to San Francisco Administrative Code Section 21.35. Under such Section 21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to City for the statutory penalties set forth in that section. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by City; (c) conspires to defraud City by getting a false claim allowed or paid by City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to City; or (e) is a beneficiary of an inadvertent submission of a false claim to City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to City within a reasonable time after discovery of the false claim.

36. Food Service and Packaging Waste Reduction Ordinance

Appraiser shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including, but not limited to, the remedies for noncompliance provided therein.

37. Protection of Private Information

Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, “Nondisclosure of Private Information,” and 12M.3, “Enforcement” of Administrative Code Chapter 12M, “Protection of Private Information,” which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

38. Severability

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

39. Cooperative Drafting

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have this Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

40. General Provisions

(a) This Agreement may be amended or modified only by a writing signed by City and Appraiser.

(b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer of other authorized representative, and only to the extent expressly provided in such written waiver.

(c) All approvals and determinations of City requested, required or permitted hereunder may be made in the sole and absolute discretion of the Director of Property, the Director's designated agent or other authorized City official.

(d) This instrument (including the exhibits hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein.

(e) The section and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement.

(f) Time is of the essence.

(g) This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

(h) City and Appraiser agree that the Recitals are true and accurate and are made part of this Agreement.

(i) This Agreement shall be governed by and construed in accordance with the City's Charter and with California law, but without regard to its choice of law provisions.

[SIGNATURES ON FOLLOWING PAGE]

DRAFT

IN WITNESS WHEREOF, City and Appraiser have executed this Agreement as of the date first above written.

APPRAISER:

[APPRAISER COMPANY NAME AND
ENTITY TYPE]

By: [NAME OF AUTHORIZED SIGNATORY]

Its: Owner/Appraiser

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____

SARAH R. OERTH
Director of Property

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____

[NAME OF DEPUTY] Deputy City Attorney

EXHIBIT A

SCOPE OF SERVICES

The purpose of the analysis and appraisal to be performed pursuant to this Agreement is to provide Real Estate Division with the valuation services of real property or an interest therein. The Scope of Services provided in this **Exhibit A** is to be used as a general guide containing the required minimum services and is not intended to be a complete list of all work necessary to perform the services. The Real Estate Division will create specific requirements/scope of services applicable to the site(s) and contact the Contractor(s) based on individual site needs to request a quote. Bidding Packages, establishing a request for bid, may be issued for each property or facility to be serviced. Each Bidding Package shall include specific terms and conditions in the specifications for the Addendum award. No terms and conditions in the Bidding Package are intended to conflict with the terms and conditions of the Agreement for if - and as-needed property appraisals; however, if a conflict exists, the terms and conditions of the Umbrella Agreement For if- and as-needed appraisal services shall govern. In the event that a Bidding Package is not issued for a bid quotation, the terms and conditions in the Scope of Services in this **Exhibit A** will be used.

The City intends to use the Appraisal Report in connection with existing or future real estate negotiations, and Appraiser agrees to keep the Appraisal Report and work product under this Agreement confidential, and not to release the Appraisal Report or work product to any person other than the City, except to the extent required by applicable law. Appraiser understands and agrees that City will rely fully on the appraisal for such purpose.

I. Types of appraisal services shall include, but are not limited to, the following:

a. Preparing appraisal reports, studies, surveys, etc.

All appraisal reports must comply with the requirements set forth in the Agreement, including, but not limited to, the standards for a Self-Contained Narrative Report as established by the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (“USPAP”). Appraisal reports must also satisfy federally-funded and Caltrans-monitored project appraisal guidelines, as described in the Code of Federal Regulations – 49 C.F.R. Part 24 and the State of California Department of Transportation (Caltrans) ROW Manual.

b. Reviewing appraisals performed by others.

The Contractor may be asked to review the appraisals of others and reconcile two or more appraisals to develop a single value for a property. Any review appraisal shall be conducted in accordance with the review appraisal guidelines described in the Caltrans ROW Manual Sections 7.01.15.00 through 7.01.16.00; applicable USPAP appraisal.

c. Providing expert witness testimony in condemnation trials or other proceedings.

The Contractor should be prepared to prepare appraisals that will be admissible in evidence in eminent domain actions in the California courts, to testify in depositions and trial and in other proceedings, if necessary, and to cooperate with counsel for the City to prepare eminent domain actions for trial.

d. Provide an appraisal meeting the definition of an appraisal found at 49 CFR 24.2(a).

- i. Afford the property owner or the owner's designated representative the opportunity to accompany the appraiser on the inspection of the property.
- ii. Perform an inspection of the subject property. The inspection should be appropriate for the appraisal problem, and the scope of work should address:
 1. The extent of the inspection and description of the neighborhood and proposed project area.
 2. The extent of the subject property inspection, including interior and exterior areas.
 3. The level of detail of the description of the physical characteristics of the property being appraised (and, in the case of a partial acquisition, the remaining property).
 4. In the appraisal report, include an adequate description of the physical characteristics of the property being appraised (i.e., sketch of the property and provide the location and dimensions of any improvements) and a description of comparable sales. Describe appraised with a focus on their competitive strengths and weaknesses. The appraisal report should also include adequate photographs of the subject property and comparable sales, and provide location maps of the property and comparable sales.
- e. In the appraisal report, identify the highest and best use. If highest and best use is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.
- f. Inspect subject properties and comparable market data.
- g. Verify public information relating to the subject properties' assessment, zoning, and utilities.
- h. Present and analyze relevant market information. (Specific requirements for market information should be included in the agency's appraisal procedural manual and should include research, analysis, and verification of comparable sales. Inspection of the comparable sales should also be specified.
- i. Perform valuation processes including a description of the region, with particular attention given to the underlying economic factors impacting the supply and demand for the appraised properties.
- j. In developing and reporting the appraisal, disregard any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for the project. (If

necessary, the appraiser may cite the Jurisdictional Exception or Supplemental Standards Rules under USPAP to ensure compliance with USPAP while following this and other Uniform Act requirements.)

k. Report analysis, opinions, and conclusions in the appraisal report.

II. Standards

Appraiser shall complete work in accordance with the applicable Uniform Standards of Professional Appraisal Practice (“**USPAP**”) standards and appraisal review guidelines and the Code of Professional Ethics of the American Society of Appraisers.

III. ADDITIONAL REQUIREMENTS FOR A SCOPE OF WORK: INTENDED USE.

This appraisal is to estimate the fair market value of the property, as of the specified date of valuation, for the proposed acquisition of the property rights specified (i.e., fee simple, etc.) for a Federally assisted project.

INTENDED USER: The intended user of this appraisal report is primarily the acquiring agency, but its funding partners may review the appraisal as part of their program oversight activities.

EXHIBIT B
Outline of Appraisal Report

I. Introduction

- A. Title Page
- B. Table of Contents
- C. Letter of Transmittal

II. Summary

- A. Purpose of Appraisal
- B. Definition of Value
- C. Property Rights to be Appraised
- D. Summary of Important Facts and Conclusions

III. Factual Data

- A. Legal Description
- B. Area, City and Neighborhood Data
- C. Property Data
 - * Description of Site
 - * Description of Improvements
 - * Description of Equipment
 - * History
 - * Assessed Value
 - * Utilities
 - * Zoning
 - * Amenities

IV. Analysis and Conclusions

- A. Analysis of Highest and Best Use
- B. Valuation Approaches
- C. Interpretation and Correlation of Value Estimates
- D. Statement of Limiting Conditions and Assumptions
- E. Certificate of Appraiser
- F. Qualifications of Appraiser

V. Attachments

- A. Details of Supporting Data
- B. Photographs

- C. Maps
- D. Plot Plan
- E. Floor Plans
- F. Other Pertinent Documentation

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