



# REPORT OF INVESTIGATION

Failure to follow contract requirements by the City of New Orleans and Center for Employment Opportunities while utilizing Wisner Trust funds.

**January 25, 2024**

Edward Michel, CIG  
Inspector General

## REPORT OF INVESTIGATION

22-0013-I

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**TITLE:** An anonymous complaint was received that the Center for Employment Opportunities (CEO) may not have properly adhered to the terms of the contract entered into with the City regarding a \$1,000,000.00 million grant from the Wisner Trust. The contract calls for hiring formerly incarcerated individuals to cut and maintain vacant lots throughout the City. The complainant advised that very few individuals were hired to perform the service, and it is impossible to expense the contract the amount in one year, as required by the contract. Additionally, lots that are cut are possibly private property and not all under the control of the City. CEO is a New York based non-profit.

**LOCATION OF OCCURRENCE:** New Orleans, LA

**DATE OF OCCURRENCE:** December 14, 2021 through December 14, 2022

**INVESTIGATED BY:** OIG Investigation Division

**VIOLATIONS:** Non-Compliance with the Cooperative Endeavor Agreement By and Between the City of New Orleans and Center for Employment Opportunities, Inc., dated December 14, 2021.<sup>1</sup>

Louisiana Constitution, Article VII, Section 14.<sup>2</sup>

**ACTION TAKEN:** Referred to the City of New Orleans Chief Administrative Office for administrative action.

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## BASIS FOR INVESTIGATION

This investigation was predicated on information received from an anonymous complaint. The complainant alleged Wisner Trust funds were being mismanaged by the City of New Orleans (City) through a Cooperative Endeavor Agreement (CEA) with the Center for Employment Opportunities (CEO) for a grass cutting, lot maintenance, and re-entry workforce training program.<sup>3</sup> The complainant alleged that the maximum amount payable by the City of \$1,000,000 per the CEA could not be spent in the allotted one-year time frame. The complainant's concern was that the City could not possibly spend the entire \$1,000,000 and that any money not spent would not be properly accounted for by the City.

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<sup>1</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

<sup>2</sup> See Exhibit 2, Louisiana Constitution, Article VII, Section 14.

<sup>3</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

## BACKGROUND

Wisner funds are provided to the City through the Wisner Trust and are intended to be utilized by the City for various community-based projects. A City department may formally request funds from the Wisner Trust by justifying that the funds meet the requirements for disbursement under that program.

On December 14, 2021, the City and CEO entered into a CEA for contracted grass cutting and lot maintenance that also functioned as a re-entry workforce training program.<sup>4</sup> This contract was to be funded by the Wisner Trust.<sup>5</sup> According to the terms of the CEA, the City would pay CEO a maximum amount of \$1,000,000 over the one-year term of the CEA for CEO to provide the following services:

... leverage [the City's] blighted remediation and other labor needs into transitional employment opportunities, in the form of an intensive job-skills training program, for unhoused individuals living in the City's low-barrier homeless shelter and formerly incarcerated individuals (Unhoused and Returning Citizens).<sup>6</sup>

CEO, a non-profit organization based in New York, New York, with operations in various cities across the United States, was selected by the City as the vendor for this project. According to its website, CEO works to reduce recidivism and increase employment opportunities. In addition to providing grass cutting services, CEO also provides wrap-around vocational support service and other job readiness training, transitional employment, job placement and life coaching, as well as retention services for participants in the program.

In accordance with the terms of the CEA, the City's \$1,000,000 one-year contract with CEO was to be overseen and administered by the City Code Enforcement Department. Article I of the CEA required CEO to submit monthly invoices to the City via its Budget, Requisition, and Accounting Services System (BRASS). The CEA also required CEO to submit photographic evidence of all work performed through the City's Land Management Software (LAMA).

## EXTENT AND RESULTS OF INVESTIGATION

In November 2022, OIG Investigators reviewed LAMA and BRASS records for invoices paid by the City related to the CEA. While LAMA and BRASS possessed some data showing grass cutting work and photos depicting completed work in 2021, the data was limited. A review of data for 2022 in

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<sup>4</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

<sup>5</sup> This appropriation of Wisner Trust funds occurred prior to the September 28, 2022 ruling *The Council of the City of New Orleans vs Edward Wisner Donation, et al*, case number 2022-6765 of the Civil District Court of the Parish of Orleans which resulted in a new appropriations procedure for Wisner Trust funds.

<sup>6</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

both LAMA and BRASS showed very few instances of work being completed by CEO per the agreement with the City, thus necessitating a further review of the program by the OIG. During the review of BRASS, OIG Investigators noted that the City stopped a \$1,000,000.00 payment to CEO on September 25, 2021. OIG Investigators learned the City canceled this payment because it was made in error.

On November 15, 2022, OIG Investigators interviewed D'Artanian Stovall, Lot Abatement Manager for the City, related to the lot cutting and clearing services provided by CEO to the City.<sup>7</sup> Stovall said that the LAMA system was insufficient and unable to manage the program. Specifically, Stovall said LAMA was unable to track what lots received which service and was ineffective in receiving and managing large amounts of data generated by this project. After conferring with his supervisors, Stovall set up an Excel-based program to better manage the data that CEO was required to submit to the City in accordance with the CEA. Stovall told OIG Investigators that, according to his supervisor, Shay Zeller, CEO was being paid in installments of \$250,000.00 per quarter for services under the contract. It should be noted that the City had recently paid CEO an installment in that amount. However, the payment was withdrawn after the OIG Investigators inquired about the CEA. Upon request, Stovall provided the investigators access to the Excel-based program with the data in question.

On November 21, 2022, OIG Investigators interviewed Shay Zeller, then with Code Enforcement/Office of External Services for the City.<sup>8</sup> Zeller drafted the CEA between the City and CEO. Other local vendors were considered, but she drafted a memorandum to Mayor Cantrell to approve CEO as the vendor of choice because it was the only non-profit that provided lot abatement services and wrap-around services for unhoused and returning citizens. Zeller said Mayor Cantrell agreed with the assessment and entered into the CEA with CEO. In addition, it was hoped the services would reduce gun violence in the City. Zeller said a decision was made by she and Mary Pettengill to pay CEO in installments of \$250,000.00 since they viewed the money as a grant. Initially, the City made a mistake in paying the entire CEA maximum amount of \$1,000,000.00 to CEO upfront. Once the error was uncovered, that check was rescinded by the City. Zeller was informed by OIG Investigators that the payment of \$250,000.00 per quarter was not delineated in the CEA with CEO. Zeller acknowledged the quarterly payments were contrary to the CEA terms. Zeller advised that it was the City's intention that monies not used by CEO would be "clawed back" so the City could recoup its funds should CEO be unable to meet its contractual obligations.

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<sup>7</sup> See Exhibit 3, MOI of Stovall, dated November 15, 2022.

<sup>8</sup> See Exhibit 4, MOI of Zeller, dated November 21, 2022.

On December 19, 2022, OIG Investigators interviewed Patience Lewis Walker, Deputy Executive Director for CEO, and Shantrice Bailey, New Orleans Site Director for CEO.<sup>9</sup> Bailey said CEO encountered systemic issues with LAMA and BRASS in handling data and invoices for the work performed. They advised the City intended to pay CEO in four installments of \$250,000.00 over the course of the CEA. CEO operated five crews of seven or eight individuals to complete work on the blighted properties. These workers also received training, and life skill instruction provided by CEO as part of the CEA. CEO tracked the participants for one year after completing their transitional program and documented their history as they progressed into the workforce. Participants were paid via Skylight Pay Card so that they had quick access to money. All paperwork required to document the work performed and instruction received, such as I-9 and W-2 forms, was completed by participants with the assistance of CEO.

On January 18, 2023, OIG Investigators re-interviewed D'Artanian Stovall, Lot Abatement Manager for the City.<sup>10</sup> He advised that CEO was in negotiations with the City for another CEA since the one-year term of the initial CEA had expired. Stovall said the work was performed, but that CEO's accounting lacked detailed information and that invoices were not submitted timely or at all. He had to talk and meet with CEO routinely to reconcile the invoices and payments between the City and CEO in order to have proper accounting of the work performed by CEO. Stovall stated that CEO did not come close to spending the \$1,000,000.00 maximum amount payable by the City under the CEA and that the actual figure was closer to \$500,000.00. Stovall said he learned from the CEO that Shay Zeller had told them not to worry about submitting invoices for their work during the one-year term of the CEA.

Stovall said that, as best practices for any new CEA issued by the City, he wanted CEO to include a dedicated person to manage invoices. He was concerned that CEO was being considered strongly for a new CEA by the City despite CEO's past paperwork and performance discrepancies. Stovall told OIG Investigators that Wisner funds were not being utilized to fund the new CEA under consideration.

On February 2, 2023, OIG Investigators interviewed Tim Forstall, outgoing Deputy Director of Code Enforcement and Hearings Bureau and Chief of Operations for the City.<sup>11</sup> He said he was forced to resign based on a complaint made by Zeller. Forstall was concerned that the City had awarded CEO the contract with limited vetting and that the City would renew the CEA, despite the lack of proof of performance. He was told that CEO was advised by Zeller that they did not need to submit invoices for their work. Forstall said this did not comply with the requirements

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<sup>9</sup> See Exhibit 5, MOI of Walker, dated December 19, 2022.

<sup>10</sup> See Exhibit 6, MOI of Stovall, dated January 18, 2023.

<sup>11</sup> See Exhibit 7, MOI of Forstall, dated February 2, 2023.

documented in the CEA. Forstall said Zeller decided for the City to pay the \$250,000.00 quarterly installments to CEO.

On February 6, 2023, OIG Investigators interviewed Warren Jones, Senior Building Plan Manager for the City.<sup>12</sup> Jones said it was discussed within Code Enforcement that LAMA was ill-suited to manage the type of work input for grass abatement. LAMA was unable to maintain the documentation needed to show the work was performed. Jones moved to another department in 2019 but recalled at that time, vendors were cutting the grass regularly for the City, and it was not unusual for the City to spend one million dollars on such work. Jones said that D'Artanian Stovall managed the lot abatement program, but that Shay Zeller was Stovall's boss during his tenure.

On February 10, 2023, upon request, Stovall provided an update to OIG Investigators regarding monies accounted for by the City and CEO. He said CEO was unable to account for services performed for approximately \$30,000.00 of the \$500,000.00 the City paid to CEO under the CEA. Stovall said the services performed were unaccounted for due to a lack of invoices from CEO. Stovall said he was continuing to review the matter to come up with a final sum to reconcile the \$500,000 the City paid to CEO under the CEA. He said the City would request repayment from CEO for any funds received from the City that lacked supporting documentation from CEO of the work that was performed.

On February 28, 2023, OIG Investigators interviewed Tammie Jackson, Director of Safety and Permits for the City.<sup>13</sup> She said that she was not involved in the process related to the City's CEA with CEO. Jackson recalled a meeting she attended related to LAMA where it was discussed that LAMA would not work for managing the lot abatement program. Jackson said that D'Artanian Stovall managed the program well and had created an Excel spreadsheet to manage the data better. She recalled the City wanting to recoup some of the costs related to the abatement of lots from the property owners. Jackson opined it would be inappropriate if the City paid installment payments to CEO that were contrary to the CEA, but she had not seen the CEA.

On April 4, 2023, OIG Investigators interviewed Jonathon Henderson, Director of Strategic Initiatives, Mayor's Office.<sup>14</sup> Henderson explained that a City department was required to request and document all requests for Wisner funds. Wisner funds would not be disbursed until the proper requests were completed.

On April 20, 2023, OIG Investigators contacted D'Artanian Stovall via e-mail regarding CEO's repayment of any outstanding funds to the City for which CEO did not provide support that work

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<sup>12</sup> See Exhibit 8, MOI of Jones, dated February 6, 2023.

<sup>13</sup> See Exhibit 9, MOI of Jackson, dated February 28, 2023.

<sup>14</sup> See Exhibit 10, MOI of Henderson, dated April 4, 2023.

was performed.<sup>15</sup> He replied that the City was unable to account for services provided under the CEA for \$24,461.99 that the City paid to CEO. However, CEO was disputing the figure and attempting to provide proof of work. Reconciliation of those funds was still pending.

On July 18, 2023, the OIG received e-mail confirmation from the Bureau of Accounting for the City, with a copy of a check from the CEO and a receipt for reimbursement to the City for \$24,461.99. On May 31, 2023, the payment was returned to the Wisner Trust.

## **CONCLUSIONS**

This investigation determined that the City did not comply with its CEA with CEO. Due to the City's non-compliance with the CEA, public funds paid by the City to CEO may have violated the Louisiana Constitution.

### **Potential Violations of the CEA**

The CEA required the City to verify services rendered by CEO before payment was made. Article II of the CEA defined the City's obligations, which included "[tracking] work order assignments issued to the Contractor and [keeping] accurate records of all cuts and other completed services, reports, invoices, and payments."<sup>16</sup> However, the City did not perform this verification process in many cases.

Additionally, the CEA did not authorize the City's quarterly payments of \$250,000.00 to CEO. The CEA specified, "[o]n the 10th day of every month, CEO will submit an Invoice to the City for all work performed and approved in the previous calendar month," and the City make a "monthly payment" to CEO after verification of the services rendered.<sup>17</sup> However, the City paid two quarterly installments to CEO totaling \$500,000.00 without proper verification of the work performed prior to those payments. A third payment of \$250,000.00 was rescinded once the City learned that the OIG questioned the expenditures.

OIG Investigators determined that prior to entering into the CEA with CEO, the City was aware that LAMA would not be able to track the work performed for this particular project. However, the CEA was still crafted with the language that LAMA would be utilized for billing and proof of work. The CEA specifically required CEO to submit proof of work performed through LAMA, stating the following:

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<sup>15</sup> See Exhibit 11, MOI of Stovall dated, April 20, 2023.

<sup>16</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

<sup>17</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

CEO will take photographs of the property before and after performing any services. The photos should include a time, date, and location stamp. ... All photos will be uploaded to the City's Land Management ("LAMA") software platform within 72 of completion of work.<sup>18</sup>

However, OIG Investigators determined LAMA was unable to maintain documentation required to show the work was performed or track what lots received which service. This created an accountability problem for both the City and CEO.

### **Potential Violations of the Louisiana Constitution**

Article VII, Section 14(A) of the Louisiana Constitution prohibits the donation of public funds, stating:

Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private.<sup>19</sup>

Article VII, Section 14(C) of the Louisiana Constitution requires formal cooperative endeavor agreements clearly identifying a "public purpose" for the expenditure of public funds in order to be permissible under Article VII, Section 14(A).<sup>20</sup> Pursuant to Article VII, Section 14(C) and related statutes, and Section 9-314 of the Home Rule Charter of the City of New Orleans, it is permissible for the City to enter into cooperative endeavors.

Although it is permissible for the City to enter into cooperative endeavor agreements under Article VII, Section 14(A) of the Louisiana Constitution, the City did not follow the terms of its CEA with CEO when making payments to CEO for services provided. The City also failed to maintain records to sufficiently verify the expenditure of those public funds was for a public purpose, the expenditure was not gratuitous, and the City received a benefit equivalent to the amount expended. Therefore, those payments to CEO were in possible violation of the Louisiana Constitution.

It should be noted that the Lot Abatement Supervisor went above and beyond to verify payments. However, the City's decision to make \$250,000.00 quarterly payments to CEO prior to verification of the work performed rendered the task formidable. This created a scenario where the City had to verify what work was performed for amounts that had already been paid to CEO and have CEO repay \$24,461.99 in unaccounted payments made by the City. The City ceased making \$250,000.00 quarterly payments to CEO after the OIG began its investigation, which otherwise may have resulted in an unconstitutional donation of public funds. The remaining

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<sup>18</sup> See Exhibit 1, CEA between the City and CEO, dated December 14, 2021.

<sup>19</sup> See Exhibit 2, Louisiana Constitution, Article VII, Section 14.

<sup>20</sup> See Exhibit 2, Louisiana Constitution, Article VII, Section 14.



\$500,000.00 of the City's Wisner Trust funds outlined in the CEA were not utilized during the CEA's one-year term. Those funds remained in the City's Wisner Trust account.

## RECOMMENDATIONS

The Louisiana Attorney General uses the "Cabela's test,"<sup>21</sup> which requires all three of the following elements must be met for an expenditure or transfer public funds or property to be permissible under Article VII, Section 14(A) of the Louisiana Constitution:

The expenditure or transfer of public funds or property must be for a public purpose;

The expenditure or transfer of public funds or property, taken as a whole, does not appear to be gratuitous; and

Evidence must demonstrate that the public entity has a reasonable expectation of receiving a benefit or value at least equivalent to the amount expended or transferred.<sup>22</sup>

The OIG recommends that the City implement a review process to ensure all expenses incurred as part of cooperative endeavor agreements are permissible under Article VII, Section 14(A) of the Louisiana Constitution. The review process should include the following:

Verify that invoiced expenses meet the Louisiana Attorney General's three-pronged test prior to payment.

Verify that payments for work performed to comply with the terms of the CEA as written.

Additionally, the OIG recommends that the City verify in advance that any systems included in CEAs, such as LAMA, are sufficient to provide transparency and manage programs per the terms of the agreement. The City should only enter into a CEA when it is aware that the program management software included in the CEA is unable to perform its obligations as described in the agreement.

The City should only transfer funds to an entity after services are provided. The City should also maintain complete and accurate records for cooperative endeavor agreements to ensure that

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<sup>21</sup> The "Cabela's test" was developed by the Louisiana Attorney General following the Louisiana Supreme Court's *Cabela's* decision: *City of Port Allen v. Louisiana Risk Management, et al.*, 439 So.2d 399 (La. 1983) abrogated by *Board of Directors of Indus. Development Bd. of City of Gonzales, Louisiana, Inc. v. All Taxpayers, Property Owners, Citizens of City of Gonzales, et al*, 938 So.2d 11 (La. 9/6/06).

<sup>22</sup> "Legislative Auditor's *Cabela's* Test and Cooperative Endeavor Agreements." Louisiana Legislative Auditor, revised August 2023.

[https://app.la.state.la.us/lla/nsf/9EB337F0C1BA94D886257AB500752B32/\\$FILE/CEA%20Memo%20and%20Sample.pdf](https://app.la.state.la.us/lla/nsf/9EB337F0C1BA94D886257AB500752B32/$FILE/CEA%20Memo%20and%20Sample.pdf)

services were provided in accordance with the CEA and that all payments were permissible under the Louisiana Constitution.

A handwritten signature in blue ink that reads "Edward Michel". The signature is written in a cursive style with a small mark above the "i" in Michel.

Edward Michel, CIG  
Inspector General  
City of New Orleans

## EXHIBITS

Exhibit 1:	Copy of CEA between the City and CEO, dated December 14, 2021.
Exhibit 2:	Copy of Louisiana Constitution, Article VII, Section 14.
Exhibit 3:	D'Artanian Stovall MOI, dated November 15, 2022.
Exhibit 4:	Shay Zeller MOI, dated November 21, 2022.
Exhibit 5:	Patrice Lewis Walker MOI, dated December 19, 2022.
Exhibit 6:	D'Artainian Stovall MOI, dated January 18, 2023.
Exhibit 7:	Tim Forstall MOI, dated February 2, 2023.
Exhibit 8:	Warren Jones MOI, dated February 6, 2023.
Exhibit 9:	Tammie Jackson MOI, dated February 28, 2023.
Exhibit 10:	Jonathon Henderson MOI, dated April 4, 2023.
Exhibit 11:	D'Artainian Stovall MOI, dated April 20, 2023.

K21-1320

**COOPERATIVE ENDEAVOR AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF NEW ORLEANS**  
**AND**  
**CENTER FOR EMPLOYMENT OPPORTUNITIES, INC.**

**LOT MAINTENANCE AND RE-ENTRY WORKFORCE TRAINING PROGRAM –**  
**WISNER GRANT**

**THIS COOPERATIVE ENDEAVOR AGREEMENT** (the “**Agreement**”) is entered into by and between the City of New Orleans, represented by LaToya Cantrell, Mayor (the “**City**”), and **Center for Employment Opportunities, Inc.**, represented by Sam Schaeffer, Chief Executive Officer (“**CEO**” or “**Contractor**”). The City and the Contractor may sometimes each be referred to as a “**Party**,” and collectively, as the “**Parties**.” The Agreement is effective as of the date of execution by the City (the “**Effective Date**”).

**RECITALS**

**WHEREAS**, the City is a political subdivision of the State of Louisiana;

**WHEREAS**, CEO is a 501(c)(3) nonprofit organization, registered to do business in Louisiana, whose principal address is located at 50 Broadway, Suite 1604, New York, NY 10004;

**WHEREAS**, in or around August 1914, Edward Wisner made a donation of certain immovable property in the State of Louisiana (“**Wisner Donation**”), which property was put into a one hundred (100) year charitable trust of which the City is a beneficiary;

**WHEREAS**, the percentage of money received by the City annually from the Wisner Donation must be used by the City to support local needs in the areas of education, recreation, beautification, and human services;

**WHEREAS**, pursuant to Article 7, Section 14(C) of the Louisiana Constitution of 1974, and related statutes, and Section 9-314 of the Home Rule Charter of the City of New Orleans, the City may enter into cooperative endeavors with the State of Louisiana, its political subdivisions and corporations, the United States and its agencies, and any public or private corporation, association, or individual with regard to cooperative financing and other economic development activities, the procurement and development of immovable property, joint planning and implementation of public works, the joint use of facilities, joint research and program implementation activities, joint funding initiatives, and other similar activities in support of public education, community development, housing rehabilitation, economic growth, and other public purposes;

**WHEREAS**, the City desires to leverage its blight remediation and other labor needs into transitional employment opportunities, in the form of an intensive job-skills training program, for unhousted individuals living in the City's low-barrier homeless shelter and formerly incarcerated individuals (“**Unhoused and Returning Citizens**”);

**WHEREAS**, CEO is an evidence-based organization with proven success with job-skills training;

**WHEREAS**, CEO will employ crews of Unhoused and Returning Citizens to perform blight abatement and other labor as needed ("**Lot Abatement Program**"), and CEO will provide Unhoused and Returning Citizens with personal coaching, career-placement, and other wrap-around support services;

**WHEREAS**, CEO and City agree that this contract is considered a job-skills preparation program subsidized or funded through city financial assistance as defined under Section 70-802 of the New Orleans, Louisiana Code of Ordinances Article VIII Living Wage Ordinance;

**WHEREAS**, the City will compensate CEO for this work using funds from the Wisner Grant; and

**WHEREAS**, this Agreement will accomplish the valuable public purposes of beautification and human services through blight remediation in our neighborhoods as well as proving essential workforce development for our Unhoused and Returning Citizens;

**NOW THEREFORE**, the City and the Contractor, each having the authority to do so, agree as follows:

#### **ARTICLE I - THE CONTRACTOR'S OBLIGATIONS**

- A. The Contractor will:
1. Provide Lot Abatement Services as set forth in the **Scope of Work for Lot Abatement Services**, attached hereto as **Exhibit A** and incorporated into this Agreement;
  2. Provide job-readiness training, transitional employment, coaching and placement, and job retention services for one year as set forth in the **Scope of Work for Transitional Workforce Program**, attached hereto as **Exhibit B** and incorporated into this Agreement;
  3. Compensate program participants at a rate of \$11.19 or more per hour for work performed. Additionally, Contractor will pay "covered employees" pursuant to Living Wages Article of this Agreement; provided, however, that participants in the JOBI Youth Works program, youth employed as part of any city-subsidized summer youth employment program, and individuals receiving job-skills preparation through a program subsidized or funded through city financial assistance shall not be considered covered employees for purposes of the City's living wage requirements.
  4. Make documented, good-faith efforts to recruit eligible participants from the City's low-barrier shelters and other shelters for homeless individuals in New Orleans, as more fully described in **Exhibit B, Scope of Work for Transitional Workforce Program**;
  5. Submit timely, complete, and accurate invoices, maintain records, submit to audits and inspections, maintain insurance, and perform all other obligations of "Contractor" as set forth in this Agreement;
  6. Monitor, supervise, and otherwise control and be solely responsible for all persons performing work on its behalf;

7. Promptly correct errors and omissions and any work deemed unsatisfactory or unacceptable by the City, at no additional compensation by the City;
8. Cooperate with the City and any person performing work for the City;
9. Communicate immediately with the City if the Contractor is unable to adequately service a property or within the terms laid out in the aforementioned Scopes of Work or complete a Task Order per the scope and other terms detailed in the Task Order assignment.
10. Invoices.
  - a. The Contractor must submit invoices monthly (unless agreed otherwise between the Parties to this Agreement) to the City electronically, via its supplier portal, for goods or services provided under this Agreement no later than 10 calendar days following the end of the period covered by the invoice. Untimely invoices may result in delayed payment for which the City is not liable. At a minimum, each invoice must include the following information:
    - i. Name of Contractor;
    - ii. Date of Invoice;
    - iii. Invoice Number;
    - iv. Contract or BRASS Number issued by the City (*i.e.*, K#);
    - v. Name of the City Department to be invoiced (*i.e.*, Code Enforcement);
    - vi. Description of the Services completed; and
    - vii. Date of Services.
  - b. Invoices will be processed in accordance with Article III of the Agreement.
  - c. All invoices must be signed by an authorized representative of the Contractor under penalty of perjury attesting to the validity and accuracy of the invoice.
  - d. The City may require changes to the form of the invoice and may require additional supporting documentation to be submitted with invoices.
11. Provide a final report to the City at the termination of this Agreement describing how all of the award funds were specifically used and whether the expected outcomes were accomplished.

## ARTICLE II - THE CITY'S OBLIGATIONS

- A. The City will:
  1. Administer this Agreement through the City's Department of Code Enforcement;
  2. Provide the Contractor with a consistent volume of work order assignments in accordance with pre-determined capacity of CEO crews, provided there is sufficient work;
  3. Provide requisite specifications and documentation as required by assignment including location, diagrams, maps inspection details, or other property information for completion of assignment;
  4. Track work order assignments issued to the Contractor and keep accurate records of all cuts and other completed services, reports, invoices, and payments;
  5. Provide templates for the Contractor to use for submission of completed work assignments and monthly labor and training reports;
  6. Provide a consistent contact with whom the Contractor will communicate regularly and officially for purposes of this project;

7. Acknowledge the Contractor's communication regarding any properties that it cannot complete and remove them from the current work assignment(s) as applicable; and
8. Provide any other documents or coordination deemed necessary for the Contractor's performance of any work required under this Agreement.

### **ARTICLE III – FUNDING OR COMPENSATION**

A. **Maximum Amount.** The maximum amount payable by the City under this Agreement is one million dollars even (\$1,000,000.00), as detailed in subsection B below.

B. **Compensation.** The Parties agree to compensation according to the fees listed throughout Exhibit A.

C. **Payment.** Unless otherwise agreed by the City, payment terms are NET 30 days upon providing that goods and/or services described under this Agreement have been delivered, installed (if required), rendered, and/or accepted and upon receipt by the City of properly submitted invoice via the City's supplier portal.

### **ARTICLE IV - DURATION AND TERMINATION**

A. **Term.** The term of this agreement shall be for one year from the Effective Date.

B. **Extension.** The City can opt to extend the term of this Agreement provided that the City Council approves it as a multi-term cooperative endeavor agreement and that additional funding, if required, is allocated by the City Council.

C. **Termination for Convenience.** Either party may terminate this Agreement at any time during the term of the Agreement by giving the other party written notice of the termination at least 30 calendar days before the intended date of termination.

D. **Termination for Cause.** Either party may terminate this Agreement for cause by sending written notice to the other. "Cause" includes without limitation any failure to perform any obligation or abide by any condition of this Agreement or the failure of any representation or warranty in this Agreement, including without limitation any failure to comply with the requirements of the City's Disadvantaged Business Enterprise program and any failure to comply with any provision of City Code § 2-1120 or requests of the Office of Inspector General.

Before terminating this Agreement for cause, the party will first notify the Offending Party in writing of its specific failure to perform a contractual obligation, abide by one or more terms, or otherwise breach or default under this Agreement. The Offending Party shall have 30 (thirty) calendar days to cure the breach or defaulting conditions to the satisfaction of the other party's representative, otherwise the other party shall have the right to proceed to terminate the Agreement for cause.

If a termination for cause is subsequently challenged in a court of law and the challenging party prevails, the termination will be deemed to be a termination for convenience effective 30 days from the date of the original written notice of termination for cause was sent to the challenging party; no further notice will be required.

E. **Termination for Non-Appropriation.** This Agreement will terminate immediately in the event of non-appropriation of funds sufficient to maintain this Agreement without the requirement of notice and the City will not be liable for any amounts beyond the funds appropriated and encumbered for this Agreement.

### **ARTICLE V - INDEMNITY**

A. To the fullest extent permitted by law, the Contractor will indemnify, defend, and hold harmless the City, its agents, employees, officials, insurers, self-insurance funds, and assigns (collectively, the “**Indemnified Parties**”) from and against any and all claims, demands, suits, and judgments of sums of money accruing against the Indemnified Parties: for loss of life or injury or damage to persons or property arising from or relating to any act or omission or the operation of the Contractor, its agents or employees while engaged in or in connection with the discharge or performance of any Services under this Agreement; and for any and all claims and/or liens for labor, services, or materials furnished to the Contractor in connection with the performance of work under this Agreement.

B. **Limitation.** The Contractor's indemnity does not extend to any loss arising from the gross negligence or willful misconduct of any of the Indemnified Parties, provided that neither the Contractor nor any of its agents or employees contributed to such gross negligence or willful misconduct.

C. **Independent Duty.** The Contractor has an immediate and independent obligation to, at the City's option: (a) defend the City from or (b) reimburse the City for its costs incurred in the defense of any claim that actually or potentially falls within this indemnity, even if: (1) the allegations are or may be groundless, false, or fraudulent; or (2) the Contractor is ultimately absolved from liability.

D. **Expenses.** Notwithstanding any provision to the contrary, the Contractor shall bear the expenses including, but not limited to, the City's reasonable attorney fees and expenses, incurred by the City in enforcing this indemnity.

#### **ARTICLE VI - INSURANCE**

A. **In general.** Except as otherwise noted, at all times during this Agreement or the performance of work required by this Agreement, the Contractor will maintain the following insurance in full force and effect for the duration of the work under this Agreement. Evidence of coverage shall be provided prior to the start of any activities/work, in conjunction with the Contractor's scope of work under the Agreement.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown below, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City:

##### **1. Minimum Requirements**

- a. **Commercial General Liability (CGL).** Commercial General Liability Insurance including contractual liability insurance, products and completed operations, personal & advertising injury, bodily injury, property damage, and any other type of liability for which this Agreement applies with limits of liability of not less than \$1,000,000 each occurrence / \$2,000,000 policy aggregate.
- b. **Workers' Compensation.** Workers' Compensation & Employers Liability Insurance in compliance with the Louisiana Workers' Compensation Act(s). Statutory and Employers Liability Insurance with limits of not less than \$1,000,000.
- c. **Automobile Liability Insurance.** Automobile Liability Insurance with a combined single limit of liability of not less than \$1,000,000 per accident for



bodily injury and property damage. Insurance shall include all owned, non-owned and hired vehicles.

- d. **Umbrella/Excess Liability.** Umbrella/Excess policies must Follow Form of the underlying policies.

**Important:** Contractors shall be able to meet the above referenced specific policy limits of liability through a combination of primary and umbrella /excess coverage.

The obligations for the Contractor to procure and maintain insurance shall not be constructed to waive or restrict other obligations.

It is understood that neither failure to comply nor full compliance with the foregoing insurance requirements shall limit or relieve the Contractor from any liability incurred as a result of their activities/operations in conjunction with the Contractors obligations and/or Scope of Work. Contractor shall be responsible for any losses, expenses, damages, claims and/or suits of any kind which exceed the Contractors limits of liability that arise from the performance of work under the Contract.

2. **Other Insurance Provisions.** The insurance policies are to contain, or be endorsed to contain, the following provisions:

- a. **Additional Insured Status.** The Contractor and all Subcontractors (where applicable) will provide, and maintain current, a Certificate of Insurance naming the City of New Orleans, its departments, political subdivisions, officers, officials, employees, and volunteers as "Additional Insureds" on the CGL and AL policies with respect to liability arising out of the performance of this agreement. Additional Insured status can be provided in the form of an endorsement to the Contractors insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

Contractor shall require and verify that all Subcontractors maintain insurance and coverage limits meeting all the requirements stated herein or the Sub-contractor liability shall be covered by the Contractor.

The Certificate of Insurance, as evidence of all required coverage, should name the City of New Orleans Risk Manager as Certificate Holder and be delivered via U.S. Mail to 1300 Perdido Street, 9E06 – City Hall, New Orleans LA 70112. The Additional Insured box shall be marked "Y" for Commercial General Liability and Auto Liability coverage. The Subrogation Waiver Box must be marked "Y" for Workers Compensation/Employers Liability and Property.

- b. **Primary Coverage.** For any claims related to this agreement, the Contractors insurance coverage shall be primary insurance as respects the City, its departments, political subdivisions, officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be non-contributing to the Contractors coverage.

- c. **Claims Made Policies.** If applicable, the retroactive date must be shown and must be before the date of the agreement or the beginning of work. If the coverage is canceled or non-renewed, and not replaced with another claims-made policy, Contractor must purchase "extended reporting" coverage for minimum of 3 years after the termination of this agreement.

- d. **Waiver of Subrogation.** The Contractor and its insurers agree to waive any right of subrogation which any insurer may acquire against the City by virtue of the payment of any loss under insurance required by this agreement.
- e. **Notice of Cancellation.** Each insurance policy required above shall provide that coverage shall not be canceled, except with prior notice to the City of no less than 60 days.
- f. **Acceptability of Insurers.** Insurance is to be placed with insurers licensed and authorized to do business in the State of Louisiana with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City.

### 3. Documentation

- a. **With Notice.** The Contractor will provide the City's Risk Manager (at City of New Orleans Attn: Risk Manager, 1300 Perdido Street, Suite 9E06, New Orleans, LA 70112 – Ref.: Lot Maintenance and Re-entry Workforce Training Program) within 10 calendar days of the Effective Date and at any other time at the City's request the following documents:
  - i. Proof of coverage for each policy of insurance required by this Agreement; and
  - ii. Copies of all policies of insurance, including all policies, forms, and endorsements.
- b. Without notice from the City, the Contractor will:
  - i. Replenish any policy aggregate limit that is impaired before commencement of any work or continuation of any work under this Agreement;
  - ii. Substitute insurance coverage acceptable to the City within 30 calendar days if any insurance company providing any insurance with respect to this Agreement is declared bankrupt, becomes insolvent, loses the right to do business in Louisiana, or ceases to meet the requirements of this Agreement; and
  - iii. Notify the City's Risk Manager in writing immediately if it becomes aware of or receives notice from any insurance company that coverage afforded under such policy or policies shall expire, be cancelled or altered.

### 4. Special Risks or Circumstances

Special Risks or Circumstances: The City of New Orleans shall reserve the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer coverage, or other circumstances.

## ARTICLE VII - PERFORMANCE MEASURES

A. **Factors.** The City will measure the performance of the Contractor according to the following non-exhaustive factors: work performed in compliance with the terms of the Agreement; staff availability; staff training; staff professionalism; staff experience; customer service; communication and accessibility; prompt and effective correction of situations and conditions;

timeliness and completeness of submission of requested documentation (such as records, receipts, invoices, insurance certificates, and computer-generated reports).

**B. Failure to Perform.** If the Contractor fails to perform according to the Agreement, the City will notify the Contractor. If there is a continued lack of performance after notification, the City may declare the Contractor in default and may pursue any appropriate remedies available under the Agreement and/or any applicable law. In the event of a notification of default, the City will invoice the defaulting contractor for any increase in costs and other damages sustained by the City. Further, the City will seek full recovery from the defaulting contractor.

#### **ARTICLE VIII – INCOPORATED DOCUMENTS**

**A. In general.** The following documents are incorporated into this Agreement:

Exhibit A: Scope of Work for Lot Abatement Services

Exhibit B: Scope of Work for Transitional Workforce Program

**B. Direct Conflict.** If any Exhibit directly conflicts, in whole or in part, with this Agreement, the terms and conditions of the Agreement will control except as provided by law.

**C. Difference in Standard.** If any Exhibit differs, in whole or in part, with this Agreement in terms of requirements, standards, timelines, etc., then the more stringent requirement, the higher standard, and the longer timeline, etc., shall prevail, unless the Parties mutually agree otherwise.

#### **ARTICLE IX - NON-DISCRIMINATION**

**A. Equal Employment Opportunity.** In all hiring or employment made possible by, or resulting from this Agreement, the Contractor (1) will not be discriminate against any employee or applicant for employment because of race, sex, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, gender identity, creed, culture, or ancestry, and (2) where applicable, will take affirmative action to ensure that the Contractor's employees are treated during employment without regard to their race, sex, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, gender identity, creed, culture, or ancestry. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, sex, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, gender identity, creed, culture, or ancestry.

**B. Non-Discrimination.** In the performance of this Agreement, the Contractor will not discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, gender, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability, or AIDS- or HIV-status against (1) any employee of the City working with the Contractor in any of Contractor's operations within Orleans Parish or (2) any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by the Contractor. The Contractor agrees to comply with and abide by all applicable federal, state and local laws relating to non-discrimination, including, without limitation, Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990.

C. **Incorporation into Subcontracts.** The Contractor will incorporate the terms and conditions of this Article into all subcontracts, by reference or otherwise, and will require all subcontractors to comply with those provisions.

D. **Termination for Breach.** The City may terminate this Agreement for cause if the Contractor fails to comply with any obligation in this Article, which failure is a material breach of this Agreement.

#### **ARTICLE X - INDEPENDENT CONTRACTOR**

A. **Independent Contractor Status.** The Contractor is an independent contractor and shall not be deemed an employee, servant, agent, partner, or joint venture of the City and will not hold itself or any of its employees, subcontractors or agents to be an employee, partner, or agent of the City.

B. **Exclusion of Worker's Compensation Coverage.** The City will not be liable to the Contractor, as an independent contractor as defined in La. R.S. 23:1021(7), for any benefits or coverage as provided by the Workmen's Compensation Law of the State of Louisiana. Under the provisions of La. R.S. 23:1034, any person employed by the Contractor will not be considered an employee of the City for the purpose of Worker's Compensation coverage.

C. **Exclusion of Unemployment Compensation Coverage.** The Contractor, as an independent contractor, is being hired by the City under this Agreement for hire and defined in La. R.S. 23:1472(12)(E) and neither the Contractor nor anyone employed by it will be considered an employee of the City for the purpose of unemployment compensation coverage, which coverage same being hereby expressly waived and excluded by the parties, because: (a) the Contractor has been and will be free from any control or direction by the City over the performance of the services covered by this contract; (b) the services to be performed by the Contractor are outside the normal course and scope of the City's usual business; and (c) the Contractor has been independently engaged in performing the services required under this Agreement prior to the date of this Agreement.

D. **Waiver of Benefits.** The Contractor, as an independent contractor, will not receive from the City any sick and annual leave benefits, medical insurance, life insurance, paid vacations, paid holidays, sick leave, pension, or Social Security for any services rendered to the City under this Agreement.

#### **ARTICLE XI- FORCE MAJEURE**

A. **Event.** An event of Force Majeure will include any event or occurrence not reasonably foreseeable by the City at the execution of this Agreement, which will include, but not be limited to, abnormally severe and unusual weather conditions or other acts of God (including tropical weather events, tornados, hurricanes, and flooding); declarations of emergency; shortages of labor or materials (not caused by City); riots; terrorism; acts of public enemy; war; sabotage; cyber-attacks, threats, or incidents; epidemics or pandemics; court or governmental order; or any other cause whatsoever beyond the reasonable control of City, provided such event was not caused by the negligence or misconduct of City, by the failure of City to comply with applicable laws, or by the breach of this Agreement.

B. **Notice.** To seek the benefit of this Article, the City must provide notice in writing to the Contractor stating: (1) an event triggering this Article has occurred; (2) the anticipated effect of the Force Majeure event on performance; and (3) the expected duration of the delay, if the Agreement is being suspended

C. **Effect.**

1. Upon the occurrence of a Force Majeure event, for which the City has provided required notice, the City may, at its sole discretion:
  - a. Suspend this Agreement for a duration to be set by the City, not to exceed 90 days. During such time of suspension, the Parties will not be liable or responsible for performance of their respective obligations under this Agreement, and there will be excluded from the computation of such period of time any delays directly due to the occurrence of the Force Majeure event. During any such period of suspension, the Contractor must take all commercially reasonable actions to mitigate against the effects of the Force Majeure event and to ensure the prompt resumption of performance when so instructed by the City; or
  - b. Terminate this Agreement, either immediately or after one or more periods of suspension, effective on notice to Contractor and without any further compensation due.
2. Notwithstanding Section C(1) above, the obligations relating to making payments when due (for services or materials already provided) and those obligations specified to survive in the Agreement will be unaffected by any suspension or termination.

#### ARTICLE XII - NOTICE

A. ***In General.*** Except for any routine communication, any notice, demand, communication, or request required or permitted under this Agreement will be given in writing and delivered in person or by certified mail, return receipt requested as follows:

1. To the City:
 

City of New Orleans  
Code Enforcement and Hearings Bureau  
1340 Poydras Street, Suite 1100  
New Orleans, LA 70112  
Attn: Shay Zeller

&

City of New Orleans  
Law Department  
1300 Perdido Street, Suite 5E03  
New Orleans, LA 70112  
Attn: Donesia Turner, Esq.  
City Attorney
2. To the Contractor:
 

Center for Employment Opportunities, Inc.  
50 Broadway, Suite 1604  
New York, NY 10004  
Attn: Sam Schaeffer, Chief Executive Officer  
Samra Haider, Executive Director, National  
Copy to: Yuri Okumura, General Counsel

**B. Effectiveness.** Notices are effective when received, except any notice that is not received due to the intended recipient's refusal or avoidance of delivery is deemed received as of the date of the first attempted delivery.

**C. Notification of Change.** Each party is responsible for notifying the other in writing that references this Agreement of any changes in its address(es) set forth above.

### **ARTICLE XIII – LIVING WAGES**

**A. Definitions.** Unless otherwise expressly provided in this Agreement, Capitalized terms used but not defined herein, shall have the definition attributed to them in Article VIII, Section 70-802 of the City Code.

**B. Compliance.** To the fullest extent permitted by law, the Contractor agrees to abide by City Code Sections 70-801, *et seq.*, which requires, in pertinent part, the following:

1. Payment of an hourly wage to Covered Employees equal to the amounts defined in the City Code (“Living Wage”);
2. Receipt of at least seven (7) days per year of compensated leave for Covered Employees, as required by Section 70-807 of the City Code; and
3. Post notice in a prominent place regarding the applicability of the Living Wage Ordinance in every workplace in which Covered Employees are working that is within the Covered Employer's custody and control, as required by Section 70-810 of the City Code.

**C. Living Wage.** In accordance with the Living Wage Ordinance, Living Wage shall be as follows:

1. \$11.19 per hour for any work performed on or before December 31, 2021;
2. \$13.25 per hour for any work performed on or before December 31, 2022;
3. \$15.00 per hour for any work performed on or before December 31, 2023; and
4. \$15.00 per hour plus any adjustment provided in subsection D below for any work performed during calendar year 2024 or thereafter.

**D. Adjusted Living Wage.** In accordance with Section 70-806(2) of the City Code, the Living Wage shall be annually adjusted for inflation, as defined by the Consumer Price Index calculated by the U.S. Bureau of Labor Statistics as applied to the South Region, except that in no instance shall the Living Wage be adjusted downward. The first adjustment shall become effective on January 1, 2024 using the Consumer Price Index figures provided for the preceding year, and thereafter on an annual basis.

**E. Subcontract Requirements.** As required by Section 70-804 of the City Code, the Contractor, beneficiary, or other Covered Employer, prior to entering into a subcontract, shall notify subcontractors in writing of the requirements and applicability of Article VIII – The Living Wage Ordinance (“Article”). City contractors and beneficiaries shall be deemed responsible for violations of this Article by their subcontractors.

F. **Reporting.** On or before January 31<sup>st</sup> and upon request by the City, the Contractor shall identify (a) the hourly wage earned by the lowest paid Covered Employee and (b) the number of days of compensated leave received by Covered Employees earning less than 130% of the then-prevailing wage during the current term of the Agreement, and provide the identified information to the following:

Office of Workforce Development  
Living Wage - Compliance  
1340 Poydras Street – Suite 1800  
New Orleans, Louisiana 70112

G. **Compliance Monitoring.** Covered Employers under this Agreement are subject to compliance monitoring and enforcement of the Living Wage requirements by the Office of Workforce Development (the “OWD”) and/or the Chief Administrative Office (“CAO”). Covered Employers will cooperate fully with the OWD and/or the CAO and other City employees and agents authorized to assist in the administration and enforcement of the Living Wage requirements. Steps and actions include, but are not limited to, requirements that: (i) the Contractor will cooperate fully with the OWD and the CAO and other City employees and agents authorized to assist in the administration and enforcement of the Living Wage requirements; (ii) the Contractor agrees that the OWD and the CAO and their designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, payroll records and employee paychecks; and (ii) that the City may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with the Living Wage standards.

H. **Remedies.** If the Contractor fails to comply with the Living Wage requirements during the term of the Agreement, said failure may result in termination of the Agreement or the pursuit of other remedies by the City, including, but not limited to, the penalties and enforcement mechanisms set forth in Section 70-811 of the City Code.

#### **ARTICLE XIV- ADDITIONAL PROVISIONS**

A. **Amendment.** No amendment of or modification to this Agreement shall be valid unless and until executed in writing by the duly authorized representatives of both parties to this Agreement.

B. **Assignment.** This Agreement and any part of the Contractor’s interest in it are not assignable or transferable without the City’s prior written consent.

C. **Audit and Other Oversight.** The Contractor will abide by all provisions of City Code § 2-1120, including without limitation City Code § 2-1120(12), which requires the Contractor to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests is a material breach of the Agreement. In signing this Agreement, the Contractor agrees that it is subject to the jurisdiction of the Orleans Parish Civil District Court for purposes of challenging a subpoena.

D. **Choice of Law.** This Agreement will be construed and enforced in accordance with the laws of the State of Louisiana without regard to its conflict of laws provisions.

E. **Compliance with City’s Hiring Requirements – Ban the Box.**

1. The Contractor agrees to adhere to the City’s hiring requirements contained in City Code Section 2-8(d) and 2-13(a)-(f). Prior to executing this Agreement, the Party Reference must provide a sworn statement attesting to its compliance with the

City's hiring requirements or stating why deviation from the hiring requirement is necessary.

2. Failure to maintain compliance with the City's hiring requirements through the term of the Agreement, or to provide sufficient written reasons for deviation, is a material breach of this Agreement. Upon learning of any such breach, the City will provide the Contractor notice of noncompliance and allow the Contractor thirty (30) days to come into compliance. If, after providing notice and thirty (30) days to cure, the Contractor remains noncompliant, the City may move to suspend payments to the Contractor, void the Agreement, or take any such legal action permitted by law or this Agreement.
3. This section will not apply to any agreements excluded from the City's hiring requirements by City Code Sections 2-8(d) or (g). Should a court of competent jurisdiction find any part of this section to be unenforceable, the section should be reformed, if possible, so that it is enforceable to the maximum extent permitted by law, or if reformation is not possible, the section should be fully severable and remaining provisions of the Agreement will remain in full force and effect.
4. The Contractor will incorporate the terms and conditions of this Article into all subcontracts, by reference or otherwise, and will require all sub-Contractors to comply with those provisions.

**F. Conflicting Employment.** To ensure that the Contractor's efforts do not conflict with the City's interests, and in recognition of the Contractor's obligations to the City, the Contractor will decline any offer of other employment if its performance of this Agreement is likely to be adversely affected by the acceptance of the other employment. The Contractor will promptly notify the City in writing of its intention to accept the other employment and will disclose all possible effects of the other employment on the Contractor's performance of this Agreement. The City will make the final determination whether the Contractor may accept the other employment.

**G. Construction of Agreement.** Neither party will be deemed to have drafted this Agreement. This Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the Parties. No term of this Agreement shall be construed or resolved in favor of or against the City or the Contractor on the basis of which party drafted the uncertain or ambiguous language. The headings and captions of this Agreement are provided for convenience only and are not intended to have effect in the construction or interpretation of this Agreement. Where appropriate, the singular includes the plural and neutral words and words of any gender shall include the neutral and other gender.

**H. Convicted Felon Statement.** The Contractor complies with City Code § 2-8(c) and no principal, member, or officer of the Contractor has, within the preceding 5 years, been convicted of, or pled guilty to, a felony under state or federal statutes for embezzlement, theft of public funds, bribery, or falsification or destruction of public records.

**I. Cost Recovery.** In accordance with Section 2-8.1 of the Municipal Code entitled "Cost recovery in contracts, cooperative endeavor agreements, and grants," to the maximum extent permitted by law, the Contractor shall reimburse the City or disgorge anything of value or economic benefit received from the City if the Contractor fails to meet its contractual obligations.

**J. Employee Verification.** The Contractor swears that (i) it is registered and participates



in a status verification system to verify that all employees in the State of Louisiana are legal citizens of the United States or are legal aliens; (ii) it shall continue, during the term of this Agreement, to utilize a status verification system to verify the legal status of all new employees in the State of Louisiana; and (iii) it shall require all subcontractors to submit to the Contractor a sworn affidavit verifying compliance with items (i) and (ii) above. Any violation of the provisions of this paragraph may subject this Agreement to termination and may further result in the Contractor being ineligible for any public contract for a period of 3 years from the date the violation is discovered. The Contractor further acknowledges and agrees that it shall be liable for any additional costs incurred by the City occasioned by the termination of this Agreement or the loss of any license or permit to do business in the State of Louisiana resulting from a violation of this provision. The Contractor will provide to the City a sworn affidavit attesting to the above provisions if requested by the City. The City may terminate this Agreement for cause if the Contractor fails to provide such the requested affidavit or violates any provision of this paragraph.

**K. Entire Agreement.** This Agreement, including all incorporated documents, constitutes the final and complete agreement and understanding between the parties. All prior and contemporaneous agreements and understandings, whether oral or written, are superseded by this Agreement and are without effect to vary or alter any terms or conditions of this Agreement.

**L. Jurisdiction.** The Contractor consents and yields to the jurisdiction of the State Civil Courts of the Parish of Orleans and formally waives any pleas or exceptions of jurisdiction on account of the residence of the Contractor.

**M. Limitations of the City's Obligations.** The City has no obligations not explicitly set forth in this Agreement or any incorporated documents or expressly imposed by law.

**N. No Third-Party Beneficiaries.** This Agreement is entered into for the exclusive benefit of the parties and the parties expressly disclaim any intent to benefit anyone not a party to this Agreement.

**O. Non-Exclusivity.** This Agreement is non-exclusive, and the Contractor may provide services to other clients, subject to the City's approval of any potential conflicts with the performance of this Agreement and the City may engage the services of others for the provision of some or all of the work to be performed under this Agreement.

**P. Non-Solicitation Statement.** Contractor has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Agreement. The Contractor has not paid or agreed to pay any person, other than a bona fide employee working for it, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from this Agreement.

**Q. Non-Waiver.** The failure of either party to insist upon strict compliance with any provision of this Agreement, to enforce any right or to seek any remedy upon discovery of any default or breach of the other party at such time as the initial discovery of the existence of such noncompliance, right, default or breach shall not affect or constitute a waiver of either party's right to insist upon such compliance, exercise such right or seek such remedy with respect to that default or breach or any prior contemporaneous or subsequent default or breach.

**R. Ownership Interest Disclosure.** The Contractor will provide the City with a sworn affidavit listing all natural or artificial persons with an ownership interest in the Contractor and stating that no other person holds an ownership interest in the Contractor via a counter letter. For the purposes of this provision, an "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that holds an interest in a publicly traded corporation. If the Contractor fails to submit the required affidavit, the City may, after 30 days' written notice to the Contractor, take such action as may be

necessary to cause the suspension of any further payments until such the required affidavits are submitted.

**S. Ownership of Records.** Upon final payment, all data collected and all products of work prepared, created or modified by the Contractor in the performance of this Agreement, including without limitation any and all notes, tables, graphs, reports, files, computer programs, source code, documents, records, disks, original drawings or other such material, regardless of form and whether finished or unfinished, but excluding the Contractor's personnel and administrative records and any tools, systems, and information used by the Contractor to perform the services under this Agreement, including computer software (object code and source code), know-how, methodologies, equipment, and processes and any related intellectual property (collectively, "Work Product") will be the exclusive property of City and the City will have all right, title and interest in any Work Product, including without limitation the right to secure and maintain any copyright, trademark, or patent of Work Product in the City's name. No Work Product may be reproduced in any form without the City's express written consent. The City may use and distribute any Work Product for any purpose the City deems appropriate without the Contractor's consent and for no additional consideration to the Contractor.

**T. Prohibition of Financial Interest in Agreement.** No elected official or employee of the City shall have a financial interest, direct or indirect, in this Agreement. For purposes of this provision, a financial interest held by the spouse, child, or parent of any elected official or employee of the City shall be deemed to be a financial interest of such elected official or employee of the City. Any willful violation of this provision, with the expressed or implied knowledge of the Contractor, shall render this Agreement voidable by the City and shall entitle the City to recover, in addition to any other rights and remedies available to the City, all monies paid by the City to the Contractor pursuant to this Agreement without regard to the Contractor's otherwise satisfactory performance of the Agreement.

**U. Prohibition on Political Activity.** None of the funds, materials, property, or services provided directly or indirectly under the terms of this Agreement shall be used in the performance of this Agreement for any partisan political activity, or to further the election or defeat of any candidate for public office.

**V. Remedies Cumulative.** No remedy set forth in the Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to a party. Rather, each remedy shall be deemed distinct, separate and cumulative and each may be exercised from time to time as often as the occasion may arise or as may be deemed expedient.

**W. Severability.** Should a court of competent jurisdiction find any provision of this Agreement to be unenforceable as written, the unenforceable provision should be reformed, if possible, so that it is enforceable to the maximum extent permitted by law or, if reformation is not possible, the unenforceable provision shall be fully severable and the remaining provisions of the Agreement remain in full force and effect and shall be construed and enforced as if the unenforceable provision was never a part the Agreement.

**X. Subcontractor Reporting.** The Contractor will provide a list of all natural or artificial persons who are retained by the Contractor at the time of the Agreement's execution and who are expected to perform work as subcontractors in connection with the Contractor's work for the City. For any subcontractor proposed to be retained by the Contractor to perform work on the Agreement with the City, the Contractor must provide notice to the City within 30 days of retaining that subcontractor. If the Contractor fails to submit the required lists and notices, the City may, after thirty 30 days' written notice to the Contractor, take any action it deems necessary, including, without limitation, causing the suspension of any payments, until the required lists and notices are

submitted.

**Y. Survival of Certain Provisions.** All representations and warranties and all obligations concerning record retention, inspections, audits, ownership, indemnification, payment, remedies, jurisdiction, and choice of law shall survive the expiration, suspension, or termination of this Agreement and continue in full force and effect.

**Z. Terms Binding.** The terms and conditions of this Agreement are binding on any heirs, successors, transferees, and assigns.

**ARTICLE XV - ELECTRONIC SIGNATURE AND DELIVERY**

The Parties agree that a manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by email shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Agreement.

**[SIGNATURES CONTAINED ON NEXT PAGE.]**

**[The remainder of this page is intentionally left blank.]**

IN WITNESS WHEREOF, the City and the Contractor, through their duly authorized representatives, execute this Agreement.

**CITY OF NEW ORLEANS**

By:   
**LATOYA CANTRELL, MAYOR**

Executed on this 14<sup>th</sup> of December, 2021

**FORM AND LEGALITY APPROVED:**

**Law Department**

By: 

Printed Name: Tracy Tipton

**CENTER FOR EMPLOYMENT OPPORTUNITIES, INC.**

By:   
Sam Schaeffer (Dec 1, 2021 13:32 EST)

**SAM SCHAEFFER, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR**

FEDERAL TAX I.D. 13-3843322

**[EXHIBITS A-B CONTAINED ON NEXT PAGES]**

**EXHIBIT A**  
**COOPERATIVE ENDEAVOR AGREEMENT**  
**BY AND BETWEEN**  
**CITY OF NEW ORLEANS**  
**AND**  
**CENTER FOR EMPLOYMENT OPPORTUNITIES**

**LOT MAINTENANCE AND WORKFORCE REENTRY PROGRAM**

**SCOPE OF WORK**  
**FOR**  
**LOT ABATEMENT SERVICES**

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**SECTION 1. OVERVIEW**

Center for Employment Opportunities will provide Lot Abatement Services for the City of New Orleans while offering transitional employment, job-readiness training, and other wrap-around services to Returning Citizens and Homeless Individuals. The work contemplated under this agreement falls into 5 categories: **Lot Abatement Work throughout the City; Lot Abatement Work in the Lower Ninth Ward; Right of Way Maintenance in the Lower Ninth Ward; Barrier Installation; and Transitional Workforce Programming for Returning Citizens and Homeless Individuals.**

**Lot Abatement Work Generally** (Throughout the City, not the Lower Ninth Ward) will include mowing tall grass and weeds, clearing severely overgrown weeds and small trees, and hauling away and lawfully disposing of debris from privately owned property, as assigned by the City, throughout the City of New Orleans. This work is more thoroughly defined in **Section 3** of this Scope of Work.

**Lot Abatement Work in the Lower Ninth Ward** is identical to Lot Abatement Work performed in other parts of the City but will include up to 250 parcels located in the Lower Ninth Ward and follow a different price structure. This work and unique price structure are more thoroughly defined in **Section 4** of this Scope of Work.

**Right of Way Maintenance Work in the Lower Ninth Ward** will include mowing tall grass and weeds, clearing severely overgrown weeds and small trees, and hauling away and lawfully disposing of debris from public right of ways in the Lower Ninth Ward. This work is more

thoroughly defined in **Section 5** of this Scope of Work.

**Barrier Installation Work** will include the installation of wooden bollards or an approved alternative material, on 80 vacant lots selected by the City to prevent illegal dumping. This work is more thoroughly defined in **Section 6** of this Scope of Work.

**Transitional Workforce Program.** CEO will provide job-readiness training, transitional employment, Job Coaching and Placement, and Retention Services for one year. This work is more fully explained in **Exhibit B, titled “Scope of Work for Transitional Workforce Program.”**

**Allocation of Funds.** The City will pay CEO up to \$1,000,000 for work performed pursuant to this Agreement. The funds will be allocated as follows:

- \$400,000 for General Lot Abatement Work (Not in the Lower Ninth Ward)
- \$250,000 for Lot Abatement Work in the Lower Ninth Ward
- \$300,000 for Right of Way Maintenance in the Lower Ninth Ward
- \$50,000 Barrier Installation

## **SECTION 2. DEFINITIONS.**

- I. **Parcel or Lot.** An ascertainable site, with boundaries as defined by the Orleans Parish Board of Assessor’s property records, including the areas extending to the curb or street; a specified subset of a property; and/or aggregated site containing multiple properties assigned per specification (*i.e.*, the Right of Way in the 1900 Block of Delachaise St.). When a Parcel or Lot is Assigned by the City, it will be identified by street address, Geopin, and or Parcel Identification Number (“PARID”).
- II. **Right of Way (“ROW”).** The portion of property adjacent to and including sidewalks or public thoroughfare, or any portion of private property with frontage to public rights of way, which may extend beyond the boundaries indicated by the Orleans Parish Assessor’s Office’s property records, but which is the responsibility of the property owner. This may include up to ten (10) feet within the defined property boundary and extending eighteen (18) inches into the street, including sidewalk and servitudes.
- III. **Clean.** To collect and remove all litter, trash, and debris encountered in the assigned lot. Said material shall be collected prior to each mowing and then disposed off-site. Shredding of trash by mowing equipment shall not be permitted. Under no circumstances shall collected material be allowed to remain overnight at any assigned area.
- IV. **Cut.** To mow, chop, or otherwise reduce all grass, weeds, dead shrubs, which are over 10 inches in height, and “trash” trees with a diameter of less than 4 inches at chest height, to a maximum height of two (2) inch over the lot. Cutting also includes edging along concrete or other hard-surface sidewalks, driveways, and curbs and sweeping debris or clippings thereon.
- V. **Trimming.** To cut grass areas around any and all fixed objects. These areas shall be cut to a two (2) inch height and twelve (12) inch distance around all objects.

- VI. **Edging.** Cutting grass where it meets surface paving, whether it is concrete, asphalt, brick, or some other material paving type. Edging equipment shall be such that a clean, sharp line along the hard surface/grass interface remains upon completion of edge.
- VII. **Lower Ninth Ward.** For the purposes of this Agreement, the area known as the Lower Ninth Ward shall be defined as the land bounded by and including North Claiborne Ave, Jourdan Ave. Florida Ave., Dubreuil St. and Delery St.

**SECTION 3. GENERAL LOT ABATEMENT WORK (NOT IN LOWER NINTH WARD)**

- I. **Lot Abatement Overview.** CEO will perform Lot Abatement Services on behalf of the City, as assigned by a Work Order. For the purposes of this Agreement, Lot Abatement Services, shall include the following tasks:
  - 1. Accurately identifying and locating the assigned parcel by consulting the Orleans Parish Assessor's records and Google StreetView or similar product;
  - 2. Confirming the existence of tall grass and debris violations on the Assigned Parcel;
  - 3. Cutting grass, weeds, brush, and all other unhealthy vegetation to a finished height of 2 inches;
  - 4. Clearing vegetation from fence lines;
  - 5. Pruning ornamental plants and shrubs;
  - 6. Edging, raking, and sweeping driveways and sidewalks;
  - 7. Documenting, with photographs, the condition of the parcel before and after performing services and the amount of debris collected from the property;
  - 8. Haul away and lawfully dispose of all trash and debris within 48 hours of completion of cutting; and
  - 9. Performing all other administrative work associated with billing for these services.
- II. **Legal Authority for Lot Abatement.** All Lot Abatement work assigned to CEO under this Agreement will be pursuant to in City Code Section 66-312 through 66-318 and 26-160. It is imperative to this Agreement that CEO and its employees read and fully comprehend these ordinances, what constitutes a violation, the legal process, and CEO's obligations as the City's designee regarding abatement of violations.  
  
**NOTE: CEO may not enter property and perform services unless the conditions on the property violate City Code, to wit, the presence of tall grass OVER 10 inches; noxious weeds; and or debris. CEO will not be paid for Abatement Services that are performed where no violations exist.**
- III. **Lot Abatement Process.** The general Lot Abatement process will be as follows:

1. **Assignment.** The City will issue a Work Order authorizing CEO to perform Lot Abatement Services on a specific Parcel.
2. **Lot Abatement.** CEO will perform Lot Abatement Services on the assigned parcel;
3. **Documentation.** CEO will submit photographic documentation and other details about the work within 72 hours of completion of the work.
4. **Review.** The City will review CEO's documentation and approve or reject the work.
5. **Billing.** On the 10<sup>th</sup> day of every month, CEO will submit an Invoice to the City for all work performed and approved in the previous calendar month.

#### IV. Lot Abatement Assignments and Service Types

- A. **Initial Cut.** An Initial Cut is an assignment to abate tall grass and debris violations on a Parcel that is not currently being treated by the City. These properties must be completed within fourteen (14) calendar days of issuance of a Work Order.
- B. **Maintenance Cut (MC).** A Maintenance Cut is an assignment to abate tall grass and debris violations on a Parcel that has recently undergone treatment by the City. The City will assign Maintenance Cuts on a monthly basis, up to 8 times per year. **Important: CEO will not be paid for more than one Maintenance Cut on a Parcel per calendar month.**

#### C. Other Assignment and Service Types:

- i. **Grubbing.** To scrape the assigned lot to a depth of no more than three (3) inches, uprooting all vegetation including but not limited to brush, cane, bamboo and, at the City's discretion, certain trees no greater in diameter than 4 inches at chest height. **Because of the high cost of debris removal, CEO must not clear a lot by grubbing without prior authorization from the City.**
- ii. **Partial Cuts.** As part of assigning any cut type (Initial, Grubbing, Maintenance), the City may assign only a portion of a property, such as the ROW or the perimeter.
- iii. **Debris Removal Only.** Where a property is in violation of Sec 66-312(c) only, in that it has debris but no vegetation over 10 inches, CEO may charge the City for Debris Removal Only. In these cases, the City will pay for each cubic yard of debris removed, including the first 4 cubic yards.
- iv. **No Violation.** An assigned Lot that is in compliance with the City Code, in that all vegetation is less than 10 inches high and no debris is present. If CEO arrives at an assigned property and finds no violations, CEO will take photographs, will NOT perform any abatement services, and will report this property as "No Violation."
- v. **Turf Mowing.** To mow the assigned areas to a "semi-fine" texture at a height of no more than 2 inches. Mowing shall be performed in such a manner that it results



in a smooth and level cut that conforms to the existing grade. Grass clippings generated by the Contractor's work shall be evenly distributed over the assigned areas.

- vi. **Grubbing.** To scrape the assigned lot to a depth of no more than three (3) inches, uprooting all vegetation including but not limited to brush, cane, bamboo, and, at the City's discretion, certain trees. Grubbing also includes removing debris and leaving soil level to grade. For the purposes of this contracts, grubbing does not include breaking up and removing slabs. The Contractor may, at its own expense, choose to use grubbing as a method for an "Initial Cut" assignment.

## **B. Operations**

1. **Work Order and Schedule.** Work will be assigned daily through LAMA and or by a weekly report. All work must be completed by the dates specified in the Work Order. Exceptions may be made for inclement weather or other hardships. However, CEO is responsible for communicating non-completion of work order and sufficient reason to Program Manager and his/her designee.
2. **Debris Removal and Disposal.** CEO will be responsible for collection, transportation, and disposal of trash, refuse, debris and appropriate cuttings on the lot indicated on the work order. Appropriate and lawful disposal includes certified landfills, tire disposal facilities, or other lawful trash and refuse disposal method. CEO may enter into a disposal/dumping contract to haul and legally dispose of debris found on lots in assigned work order.

CEO or its subcontractor will haul away all debris within 5 calendar days of cutting and or cleaning a parcel. **LEAVING DEBRIS LONGER THAN 5 CALENDAR DAYS IS GROUNDS FOR TERMINATION OF THIS AGREEMENT.**

The City will pay CEO per Cubic Yard of debris, after the first 4 cubic yards on each assigned parcel. Debris will be stacked in 1 cubic yard piles, which is roughly the size of a standard washing machine. CEO will photograph and demonstrate the size of each pile by including a standard measuring tape in each photo.

3. **Photographic Documentation.** CEO will take photographs of the property before and after performing any services. The photos should include a time, date, and location stamp. CEO must take at least two photos demonstrating that the property is in violation of City Code Section 66-312. In order to demonstrate vegetation on the parcel exceeds a height of 10 inches, the photo should include a yardstick touching and held perpendicular to the ground, with black tape at the 10-inch mark. After performing all work on the property, CEO must take at least two additional photos of the parcel to demonstrate that all violations were abated and work was performed according to this agreement.

CEO will take at least one before and after photo from the same vantage point that shows the entire property, including the curb, the sky and other nearby points of reference—something in the background that helps orient the photo. As mentioned above, CEO will also take at least one (1) photo of each 4 cubic yard debris pile. Additional pictures from other angles are recommended.

All photos will be uploaded to the City's Land Management ("LAMA") software platform within 72 of completion of work.

**C. Price Schedule for General Lot Abatement (Not Lower Ninth Ward).**

CEO shall be compensated for General Lot Abatement Work, not in the Lower Ninth Ward, on a unit cost basis, according to the following unit price fee schedule:

<u>Description</u>	<u>Unit</u>	<u>Unit Cost</u>
Initial Cut, Regular (Avg. Grass Height 10" – 48")	SF	\$0.06
Initial Cut, Heavy (Avg. Grass Height >48")	SF	\$0.09
Routine Maintenance Cut (over 10")	SF	\$0.015
Debris Removal (4 CY Allowance per Lot)	CY	\$0.00
Debris Removal (>4CY Allowance per Lot)	CY	\$19.00
Regular Tires (up to 38" Diameter)	Each	\$5.00
Large Tires (> 38" Diameter)	Each	\$7.50
Mattresses	Each	\$12.50

**Note: All cuts shall be billed on the actual square footage of grass cut, excluding the square footage of structures and flat work.**

**SECTION 4. LOT ABATEMENT WORK IN THE LOWER NINTH WARD**

Pursuant to this Agreement, the City will assign CEO the task of performing Lot Abatement Services on 250 parcels located in the Lower Ninth Ward. Lot Abatement Services in the Lower Ninth Ward are identical to those same service in other parts of the City, except in Price.

**Price and Payment.** The City will pay CEO a flat rate of \$500 for the Initial Cut and \$50 for each subsequent Maintenance Cut, for up to 8 maintenance cuts, inclusive of debris removal. Please note, if a parcel was recently abated by the City, the City will assign the parcel to CEO as a Maintenance Cut, even if it is CEO's first time treating the parcel.

**Verification.** CEO will provide before and after photos for each cut as it does for General Lot Abatement work in other parts of the City.

**SECTION 5. RIGHT OF WAY MAINTENANCE WORK IN THE LOWER NINTH WARD**

Pursuant to this Agreement, CEO will cut, clean, and maintain all Right of Ways, as defined in Section 2 of this Scope of Work, that are located in the Lower Ninth Ward and have grass higher than 10 inches and/or trash and debris. CEO will have performed an Initial Cut on all overgrown L9 ROWS **within 60 days from the Execution Date of this Agreement.** Thereafter, CEO will perform Maintenance Cuts on L9 ROWs as often as necessary to keep the grass under 10 inches at all times and the area free from trash and debris.

**Acreage.** For the purposes of this Section, the Parties agree that the Lower Ninth Ward contains approximately 52 acres of Right of Ways in total and that approximately 25% of all L9 ROWs, or 13 acres, will need services. The Parties further agree that a ROW in this case will range from 5 to 10 feet wide depending on the presence of structures or other obstructions. CEO is expected to maintain a 10 foot ROW unless obstructed by homes, fences, trees, gardens, or vehicles.

**Vacant, Unoccupied Property ONLY.** This work pertains to ROWS in front of vacant, unoccupied properties that have grass taller than 10 inches and or trash and debris. CEO should not cut grass or remove trash and debris from in front of an occupied property (i.e. garbage left on curb for collection by the Department of Sanitation) that is otherwise being maintained

**Verification and Payment.** Unlike work performed under other Sections of this Scope, the L9 ROW work will be verified by a Code Enforcement employee who will perform in-person audits before the 25<sup>th</sup> of each month. Payment for L9 ROW work shall be a flat rate of \$25,000 per month, inclusive of all debris removal, and contingent upon a signed Affidavit by a City employee attesting to the fact that they have inspected the area and that all ROWS were in good condition, with grass under 10 inches and free from trash and debris.

**Failure to Complete Work.** In the case where the City's Inspector finds that CEO failed to perform the Initial Cut on all ROWS within 60 days of Execution of this Agreement or maintain all ROWs in good condition (i.e. presence of trash and debris or grass over 10 inches), the City shall;

- (1) Notify CEO by email and allow CEO to correct any failures within 3 business days; and
- (2) Reduce CEO's next monthly payment by \$1000 for each block that remains in unsatisfactory condition after the 3 business days have passed.

#### **SECTION 6. BARRIER INSTALLATION**

Pursuant to this Agreement, CEO will install rounded wooden bollards on up to 80 select vacant lots to prevent illegal dumping. CEO shall provide all labor, supervision, tools, transportation, equipment, and materials necessary for the Provision and Installation of (approximately 865) Bollards on (approximately 80) parcels. The Work shall include, but shall not be limited to the following: Purchase and install dome-top 6-7/8" diameter pressure-treated pine bollards 6'3" long (Arnold Forest Products, Shreveport LA 318-925-6903 OR APPROVED ALTERNATIVE MATERIAL), approximately 5' OC, approximately 36" of the bollard shall be above ground elevation. Bollards are to be installed direct-buried. **CEO may not use concrete as a foundation.** Sand shall be used to fill in around bollard in augured hole. All of the loose dirt generated from each augured hole shall be disbursed/spread on the same work site property.

**Contractor must contact LA One Call to locate utilities prior to excavation.** The bollards shall be installed approximately 5' apart on each property, but no more than 6' apart and no less than 4' apart.

CEO will clean up the work area at the end of each day, and at completion of the project, and leave the premises free of waste, scrap, used equipment, or other material intentionally or incidentally delivered to the site by Contractor or Contractor's personnel. CEO shall only remove trees when

specifically authorized to do so, and shall avoid damaging vegetation that will remain in place.

CEO shall protect from damage all existing improvements and utilities at or near the work site and on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. The Contractor shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this contract or failure to exercise reasonable care in performing the work.

#### **SECTION 7. MISCELLANEOUS REQUIREMENTS**

- A. **Equipment.** CEO will use equipment that is safe and suitable for operations hereunder.
- B. **Personal Safety Equipment.** Provide and require all employees and trainees working under this Agreement wear OSHA-approved reflective vests, goggles, gloves, footwear and other personal protective equipment.
- C. **Special Conditions.** CEO is not responsible for abating special conditions present on the parcel such as abandoned vehicles, neglected structures, large holes and ruts, buried debris, exposed pipes, broken slabs and sidewalks, open pools and other water collections, dead trees, trespassers or squatters, service disconnections, and hazardous waste.
- D. **Nuisances, Damages, Hazards and Spills.** CEO will conduct responsible operations, creating no nuisances or safety or health hazards. CEO will not damage assigned lots and will repair any ruts cause by its equipment. CEO will immediately clean, collect, and remove any fuel or oil spillage and move it to lawful disposal. **IT WILL NOT SWEEP OR WASH ANY SOLID WASTE OR SPILLAGE INTO STORM DRAINS.** Except as otherwise herein provided, CEO's tasked operations will leave, lots cut, smooth, clear, clean and uncontaminated.
- CEO will not fix damage or displacements to installations for which a public utility is responsible, such as electric, gas, and water meters, telephone poles, overhead wires, and some pipes. For such needs, CEO will promptly report the damage or displacement to the responsible utility, obtain the needed correction through the responsible utility, and pay for it.
- E. **Dumping Tickets.** On a monthly basis, as a matter of auditing, CEO will submit copies of all dumping tickets documenting and verifying all disposals. Dumping tickets on the facility letterhead will show the facility name and address, the time and date of the disposal, the debris type and quantity, and invoice number. CEO will obtain individual or combined receipts demonstrating full payment for associated disposals.
- F. **Illegal Dumping.** CEO will dump no debris, refuse, or other waste except as provided herein. The City may immediately terminate the contract on confirmed evidence that CEO has dumped any waste collected hereunder in violation of law or City ordinance or otherwise in violation hereof.
- G. **Risk.** The City does not warrant conditions on assigned lots. CEO acknowledges that assigned lots may contain or present latent and patent hazards and otherwise unsafe

conditions, including holes, nails, ruts, soft spots, hidden voids, deadfalls, broken concrete, bricks, pipes, ammunition, weapons, open sewer lines, gas meters and lines, dead trees, rope, insulation, asbestos, building materials, poisonous plants, open pools, live electrical wires, snakes, vermin and other animals, abandoned equipment, hazardous chemicals, fuels, and other conditions and that it enters and operates on assigned lots with full knowledge, prior inspection, and understanding thereof. Anything herein to the contrary notwithstanding, CEO will not enter or work on or permit its employees, workers or sub-CEO to enter or work on any assigned lot CEO considers unsafe. In addition, CEO will not collect hazardous waste, as detailed below in Section 7(H) pursuant to this Agreement.

- H. **Hazardous Waste.** For the purposes hereof, "hazardous waste" is, "any chemical compound, mixture, substance or article which is designated by the United States Environmental Protection Agency or appropriate agency of the State of Louisiana to be "hazardous" as that term is defined by or pursuant to federal, state, or city legislation and regulations. If CEO discovers hazardous materials at an assigned lot, it will immediately report findings to and take direction from the City.
- I. **Workforce Development for Unhoused and Returning Citizens.** CEO will focus on creating employment opportunities for Unhoused and Returning Citizens. In addition to its regular sources, CEO will actively recruit and accept participants from the City of New Orleans low barrier homeless shelter. CEO will provide its participants under this Agreement a fair wage and "wrap-around services" in the form of job-readiness training, on-the-job training (equipment operation, etc.), life skills, connection to social services, etc. as needed and agreed upon.
- J. **Quarterly Training Reports.** CEO will prepare and submit a Quarterly Training Report, which shall include, at a minimum: anonymous demographic information about each participant (initials or anonymous identification number, date of birth, race, sex, start/end date with CEO, duration of incarceration and date of release); referral source; housing status; a description of services provided to each Trainee by CEO; whether Trainee completed the program; whether graduate Trainee obtained and maintained employment; and any other data deemed useful for evaluating effectiveness of the CEO model.
- K. **Safety and Security.**
1. CEO will promote safety and security in its operations hereunder. CEO will observe and monitor conditions and activities during, at, and near its operations. CEO will immediately report all observed real or perceived dangerous, violent, unruly, disgraceful, illegal, and suspicious conditions and incidents to police officials. CEO will promptly report such conditions and incidents to the City's Representative.
  2. In all cases, CEO will conduct its operations mindful to maintain public safety and order. CEO will engage the public with courtesy and respect, and apply due caution

and care for persons and property as it operates its equipment and renders services hereunder.

3. CEO will not engage the public in any disputes, but will seek police assistance where needed.

**EXHIBIT "B" CONTAINED ON NEXT PAGE**

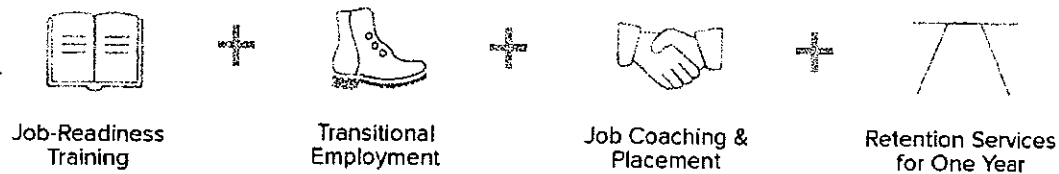
**EXHIBIT B**  
**COOPERATIVE ENDEAVOR AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF NEW ORLEANS**  
**AND**  
**CENTER FOR EMPLOYMENT OPPORTUNITIES, INC.**

**SCOPE OF WORK**  
**FOR**  
**TRANSITIONAL WORKFORCE PROGRAM**  
See Pages 29-34

## QUALIFICATIONS

### SCOPE OF WORK - TRANSITIONAL WORKFORCE PROGRAM

CEO's model consists of four phases specifically designed to enable people recently released from incarceration to successfully enter the labor market. Participants move through the phases at their own pace, allowing each person to focus on their own unique barriers to employment while adhering to CEO's evidence-based model. Our short-term goal is to provide participants with the knowledge, experience, and training necessary to become permanently employed - an objective we accomplish through transitional employment and robust vocational services. In the long term, we work to abate the persistence of poverty, reduce recidivism, and develop healthier outcomes for participants, their families, and communities. The four phases of CEO's program are:



#### **1. Job Readiness Training:**

The program begins with a weeklong class called Pathway to Employment (P2E), taught by a qualified instructor at CEO's offices. This orientation begins to prepare individuals to enter or reenter the workforce through interactive sessions focused on crucial workplace practices.

Participants create a resume, learn to fill out job applications, and practice answering interview questions, specifically questions related to their conviction(s). During the week, CEO staff also assist each participant in assembling all necessary work documents (e.g. state ID, I-9

compliance), ensure compliance with crew specific policies (such as COVID testing), support application for SNAP benefits ("food stamps") and other available supportive resources. The

P2E curriculum incorporates Cognitive Behavioral Interventions (CBI), a non-clinical



intervention that works with individuals to identify the connections between their life experiences, emotions, thoughts, resulting actions, and consequences. The curriculum in use, *Cognitive Behavioral Interventions for Employment (CBI-EMP)*, was developed in partnership with the University of Cincinnati Corrections Institute. The P2E class serves as an introduction to the various themes that participants will encounter throughout their time in the program, including the CEO Company Principles (CEO-CPs), which are the core soft skills that participants need for success in the workplace. The five CEO-CPs are 1) cooperation with a supervisor, 2) effort at work, 3) being on time, 4) cooperation with coworkers, and 5) personal presentation. The CEO-CPs and other themes introduced during P2E are then reinforced throughout participants' time with CEO, especially during transitional employment.

## **2. Transitional Employment:**

CEO's social enterprise is a key component of its program model. After graduating from P2E, participants move immediately into paid transitional work, providing crew-based services for public agency and private-sector partners. CEO secures contracts with these partners, supporting the dual goal of hiring a consistent, quality workforce, while also providing jobs that help returning citizens provide for themselves and their families. Participants work four days per week on transitional work crews, during which they receive on-the-job training and daily coaching and feedback from their site supervisors. CEO provides transportation to and from the worksite, as well as any transportation between work locations required throughout the day. At the end of every shift, participants are paid and given feedback on their performance using CEO's performance assessment tool "Passport to Success" (PTS). The feedback they receive is based on the CEO-CPs, supporting participants' professional development. For participants, the work crews provide the time and space to become "work ready" at their own pace, and the daily

income is key as it provides stability during a crucial time and facilitates a rapid attachment to the workforce. On average, participants spend two to three months on CEO transitional work crews before being placed in unsubsidized employment.

### **3. Job Coaching and Placement:**

While working transitionally for CEO, our Job Coaches work closely with participants to assess skills and to bring them to a level of readiness that allows them to compete in the job market. CEO participants receive a full suite of vocational services, including weekly one-on-one job coaching and assistance obtaining any documents needed for employment. Weekly sessions include mock interviewing, resume development (including participants' CEO transitional work experience and any work they may have done while incarcerated), and further practice answering the "conviction question". Feedback from their transitional work crew supervisor is also reviewed during job coaching sessions, providing participants the opportunity to address challenges and further develop their job skills. Job Coaches also connect participants to support systems to help remove barriers to entry, such as transportation and childcare challenges, lack of interview attire, behavioral issues, substance use disorder, and others. CEO works also with local partners to provide wraparound services such as housing support, healthcare, and benefits access to participants, working through the many challenges participants face. CEO has a specific "Job Start Readiness" (JSR) assessment that is administered during job coaching. Once participants are assessed "Job Start Ready" and prepared to search for a permanent job, they begin working with CEO's Job Developers. Job Developers actively work with local employers to understand labor needs and assist participants with job applications and interview preparedness. Staff help participants leverage their transitional work experience to secure placement in permanent employment outside of CEO. If at any point a participant loses their job, the Job Developer will

work with the participant to understand what challenges they faced, offer support services to overcome those barriers, and connect the participant to new job opportunities.

#### **4. Retention Services:**

For one full year following placement into an unsubsidized job, CEO participants receive intensive job retention services, including workplace counseling, crisis management, career planning, and introductions to education/training programs with the goal of creating economic opportunity. Further, at any time after completing Pathway to Employment, participants may take advantage of several no-cost training programs aimed at strengthening their skills and making them more competitive in the job market. CEO staff will maintain contact with the employer to ensure their needs are being met, and step in to help resolve any issues. CEO's retention services offer continuous support once an individual has been placed into a full-time job and help them establish a long-term connection to the labor force. In addition, CEO offers "Rapid Rewards" incentives, which provide monthly bonuses to individuals who meet progressive employment retention milestones. Rapid Rewards motivate participants' progress and allow CEO to maintain consistent contact with each individual. If participants lose jobs in the private workplace, they can immediately rejoin CEO crews to maintain consistent income and stability while exploring new options for permanent employment. CEO conducts employment verifications through pay stubs or direct communication with the employer. Staff will continue to connect participants to community partners who can help overcome challenges such as substance abuse, food scarcity, subsidized housing, transportation, childcare, and education. CEO operates on a case management system and all communication with participants and employers is tracked in our database.

Individualized Approach:

Among the unique characteristics of CEO's program model is its individualized approach to participant success. One of the most important aspects of working with formerly incarcerated people is recognizing that each person has unique needs and is best served when resources and programming are customized to those needs. By taking an individualized approach, each CEO participant can focus on their own barriers to employment while moving through the CEO model with staff support. Unlike cohort-based models that move participants through a defined program on a strict timeline, CEO tailors its services to the unique circumstances of the individual.

CEO prides itself on a strong data- and performance-driven culture and is committed to measuring the impact of its work across all facets of its model. CEO is one of the only employment reentry programs in the country to submit itself to rigorous evaluation and show meaningful impacts on recidivism. In a randomized control trial evaluation by the independent research firm MDRC, CEO was found to significantly reduce re-arrests, reconviction, and re-incarceration within three years of release. CEO participants at a higher risk of re-incarceration spent 30% less time in prison or jail than the control group—outcomes deemed rare in rigorous studies of this kind. The program was also found to be highly cost-effective: for every dollar spent, CEO generated up to \$3.30 in savings, primarily in reduced criminal justice spending. An additional evaluation by the NYS Division of Criminal Justice Services found positive long-term impacts on employment outcomes for CEO participants. The results (released in 2018) show that three years post-enrollment, CEO participants were 48% more likely to be employed than the comparison group.

Shelter Specific Recruitment:

CEO New Orleans welcomes the opportunity to serve individuals in low barrier homeless shelters. We see this as an opportunity to expand our footprint and service to the greater New Orleans area. We are committed to holding a bi-weekly meeting with leaders from the shelter to strategize recruitment and engagement opportunities. CEO New Orleans will also dedicate the last week of the month for P2E Class for the homeless shelter, either virtual or in person depending on covid restrictions and make monthly visits to boost our presence at the shelter.

## Article VII - Revenue and Finance

(1) Thirty percent shall be appropriated to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana for application to the balance of the unfunded accrued liability of such systems existing as of June 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system, until such unfunded accrued liability has been eliminated. Any such payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems.

(2) The remainder shall be deposited into the Revenue Stabilization Trust Fund.

(D) For purposes of this Section, "mineral revenues" shall include severance taxes, royalty payments, bonus payments, or rentals, with the following exceptions:

(1) Revenues designated as nonrecurring, pursuant to Article VII, Section 10(B) of this constitution.

(2) Revenues received by the state as a result of grants or donations when the terms or conditions thereof require otherwise.

(3) Revenues derived from any tax on the transportation of minerals.

*Added by Acts 2016, No. 679, §1, approved November 8, 2016, effective December 13, 2016.*

### §11. Budgets

Section 11.(A) Budget Estimate. The governor shall submit to the legislature, at the time and in the form fixed by law, a budget estimate for the next fiscal year setting forth all proposed state expenditures. This budget shall include a recommendation for appropriations from the state general fund and from dedicated funds, except funds allocated by Article VII, Section 4, Paragraphs (D) and (E), which shall not exceed the official forecast of the Revenue Estimating Conference and the expenditure limit for the fiscal year. The recommendation shall also comply with the provisions of Article VII, Section 10(D). This budget shall include a recommendation for funding of state salary supplements for full-time law enforcement and fire protection officers of the state, as provided in Article VII, Section 10(D)(3) of this constitution.

(B) Operating Budget. The governor shall cause to be submitted a general appropriation bill for proposed ordinary operating expenditures which shall be in conformity with the recommendations for appropriations contained in the budget estimate. The governor may cause to be submitted a bill or bills to raise additional revenues with proposals for the use of these revenues.

(C) Capital Budget. The governor shall submit to the legislature, at each regular session, a proposed five-year capital outlay program and request implementation of the first year of the program. Prior to inclusion in the comprehensive capital budget which the legislature adopts, each capital improvement project shall be evaluated through a feasibility study, as defined by the legislature, which shall include an analysis of need and estimates of construction and operating costs. The legislature shall provide by law for procedures, standards, and criteria for the evaluation of such feasibility studies and shall set the schedule of submission of such feasibility studies which shall take effect not later than December thirty-first following the first regular session convening after this Paragraph takes effect. These procedures, standards, and criteria for evaluation of such feasibility studies cannot be changed or altered except by a separate legislative instrument approved by a favorable vote of two-thirds of the elected members of each house of the legislature. For those projects not eligible for funding under the provisions of Article VII, Section 27 of this constitution, the request for implementation of the first year of the program shall include a list of the proposed projects in priority order based on the evaluation of the feasibility studies submitted. Capital outlay projects approved by the legislature shall be made a part of the comprehensive state capital budget, which shall be adopted by the legislature.

*Amended by Acts 1990, No. 1096, §1, approved Oct. 6, 1990, eff. Nov. 8, 1990; Acts 1993, No. 1045, §1, approved Oct. 16, 1993, eff. Nov. 18, 1993; Acts 2001, No. 1234, §1, approved Nov. 5, 2002, eff. Dec. 11, 2002.*

### §12. Reports and Records

Section 12. Reports and records of the collection, expenditure, investment, and use of state money and those relating to state obligations shall be matters of public record, except returns of taxpayers and matters pertaining to those returns.

### §13. Investment of State Funds

Section 13. All money in the custody of the state treasurer which is available for investment shall be invested as provided by law.

### §14. Donation, Loan, or Pledge of Public Credit

Section 14.(A) Prohibited Uses. Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or

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corporation, public or private. Except as otherwise provided in this Section, neither the state nor a political subdivision shall subscribe to or purchase the stock of a corporation or association or for any private enterprise.

(B) Authorized Uses. Nothing in this Section shall prevent (1) the use of public funds for programs of social welfare for the aid and support of the needy; (2) contributions of public funds to pension and insurance programs for the benefit of public employees; (3) the pledge of public funds, credit, property, or things of value for public purposes with respect to the issuance of bonds or other evidences of indebtedness to meet public obligations as provided by law; (4) the return of property, including mineral rights, to a former owner from whom the property had previously been expropriated, or purchased under threat of expropriation, when the legislature by law declares that the public and necessary purpose which originally supported the expropriation has ceased to exist and orders the return of the property to the former owner under such terms and conditions as specified by the legislature; (5) acquisition of stock by any institution of higher education in exchange for any intellectual property; (6) the donation of abandoned or blighted housing property by the governing authority of a municipality or a parish to a nonprofit organization which is recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) nonprofit organization and which agrees to renovate and maintain such property until conveyance of the property by such organization; (7) the deduction of any tax, interest, penalty, or other charges forming the basis of tax liens on blighted property so that they may be subordinated and waived in favor of any purchaser who is not a member of the immediate family of the blighted property owner or which is not any entity in which the owner has a substantial economic interest, but only in connection with a property renovation plan approved by an administrative hearing officer appointed by the parish or municipal government where the property is located; (8) the deduction of past due taxes, interest, and penalties in favor of an owner of a blighted property, but only when the owner sells the property at less than the appraised value to facilitate the blighted property renovation plan approved by the parish or municipal government and only after the renovation is completed such deduction being canceled, null and void, and to no effect in the event ownership of the property in the future reverts back to the owner or any member of his immediate family; (9) the donation by the state of asphalt which has been removed from state roads and highways to the

governing authority of the parish or municipality where the asphalt was removed, or if not needed by such governing authority, then to any other parish or municipal governing authority, but only pursuant to a cooperative endeavor agreement between the state and the governing authority receiving the donated property; (10) the investment in stocks of a portion of the Rockefeller Wildlife Refuge Trust and Protection Fund, created under the provisions of R.S. 56:797, and the Russell Sage or Marsh Island Refuge Fund, created under the provisions of R.S. 56:798, such portion not to exceed thirty-five percent of each fund; (11) the investment in stocks of a portion of the state-funded permanently endowed funds of a public or private college or university, not to exceed thirty-five percent of the public funds endowed; (12) the investment in equities of a portion of the Medicaid Trust Fund for the Elderly created under the provisions of R.S. 46:2691 et seq., such portion not to exceed thirty-five percent of the fund; (13) the investment of public funds to capitalize a state infrastructure bank and the loan, pledge, or guarantee of public funds by a state infrastructure bank solely for transportation projects; or (14) pursuant to a written agreement, the donation of the use of public equipment and personnel by a political subdivision upon request to another political subdivision for an activity or function the requesting political subdivision is authorized to exercise.

(C) Cooperative Endeavors. For a public purpose, the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual.

(D) Prior Obligations. Funds, credit, property, or things of value of the state or of a political subdivision heretofore loaned, pledged, dedicated, or granted by prior state law or authorized to be loaned, pledged, dedicated, or granted by the prior laws and constitution of this state shall so remain for the full term as provided by the prior laws and constitution and for the full term as provided by any contract, unless the authorization is revoked by law enacted by two-thirds of the elected members of each house of the legislature prior to the vesting of any contractual rights pursuant to this Section.

(E) Surplus Property. Nothing in this Section shall prevent the donation or exchange of movable surplus property between or among political subdivisions whose functions include public safety.

*Amended by Acts 1983, No. 729, §1, approved Oct. 22, 1983, eff. Nov. 23, 1983; Acts 1990, No. 1099, §1, approved Oct. 6, 1990, eff. Nov. 8, 1990.*

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Acts 1995, No. 1320, §1, approved Oct. 21, 1995, eff. Nov. 23, 1995; Acts 1996, 1st Ex. Sess., No. 97, §1, approved Nov. 5, 1996, eff. Dec. 11, 1996; Acts 1998, No. 75, §1, approved Oct. 3, 1998, eff. Nov. 5, 1998; Acts 1999, No. 1395, §1, approved Oct. 23, 1999, eff. Nov. 25, 1999; Acts 1999, No. 1396, §1, approved Oct. 23, 1999, eff. Nov. 25, 1999; Acts 1999, No. 1402, §1, approved Nov. 20, 1999, eff. Dec. 27, 1999; Acts 2006, No. 856, §1, approved September 30, 2006, eff. October 31, 2006; Acts 2006, No. 857, §1, approved September 30, 2006, eff. October 31, 2006; Acts 2015, No. 471, approved October 24, 2015, eff. November 26, 2015; Acts 2018, No. 717, approved November 6, 2018, eff. December 12, 2018.

§15. Release of Obligations to State, Parish, or Municipality

Section 15. The legislature shall have no power to release, extinguish, or authorize the releasing or extinguishing of any indebtedness, liability, or obligation of a corporation or individual to the state, a parish, or a municipality. However, the legislature, by law, may establish a system under which claims by the state or a political subdivision may be compromised, and may provide for the release of heirs to confiscated property from taxes due thereon at the date of its reversion to them.

§16. Taxes; Prescription

Section 16. Taxes, except real property taxes, and licenses shall prescribe in three years after the thirty-first day of December in the year in which they are due, but prescription may be interrupted or suspended as provided by law.

§17. Legislation to Obtain Federal Aid

Section 17. The legislature may enact laws to enable the state, its agencies, boards, commissions, and political subdivisions and their agencies to comply with federal laws and regulations in order to secure federal participation in funding capital improvement projects.

PART II. PROPERTY TAXATION

§18. Ad Valorem Taxes

Section 18.(A) Assessments. Property subject to ad valorem taxation shall be listed on the assessment rolls at its assessed valuation, which, except as provided in Paragraphs (C), (F), and (G), shall be a percentage of its fair market value. The percentage of fair market value shall be uniform throughout the state upon the same class of property.

(B) Classification. The classifications of property subject to ad valorem taxation and the percentage of fair market value applicable to each classification for the purpose of determining assessed valuation are as follows:

Classifications	Percentages
1. Land	10%
2. Improvements for residential purposes	10%
3. Electric cooperative properties, excluding land	15%
4. Public service properties; excluding land	25%
5. Other property	15%

The legislature may enact laws defining electric cooperative properties and public service properties.

(C) Use Value. Bona fide agricultural, horticultural, marsh, and timber lands, as defined by general law, shall be assessed for tax purposes at ten percent of use value rather than fair market value. The legislature may provide by law similarly for buildings of historic architectural importance.

(D) Valuation. Each assessor shall determine the fair market value of all property subject to taxation within his respective parish or district except public service properties, which shall be valued at fair market value by the Louisiana Tax Commission or its successor. Each assessor shall determine the use value of property which is to be so assessed under the provisions of Paragraph (C). Fair market value and use value of property shall be determined in accordance with criteria which shall be established by law and which shall apply uniformly throughout the state.

(E) Review. The correctness of assessments by the assessor shall be subject to review first by the parish governing authority, then by the Louisiana Tax Commission or its successor, and finally by the courts, all in accordance with procedures established by law.

(F) Reappraisal. (1) All property subject to taxation shall be reappraised and valued in accordance with this Section, at intervals of not more than four years.

(2)(a) In the year of implementation of a reappraisal as required in Subparagraph (1) of this Paragraph, solely for purposes of determining the ad valorem tax imposed on residential property subject to the homestead exemption as provided in Section 20 of this Article, if the assessed value of immovable property increases by an amount which is greater than fifty percent of the property's assessed value in the previous year, the collector shall phase-in the additional tax liability resulting from the increase in the property's assessed value over a four-year period as follows:



## MEMORANDUM OF INTERVIEW

On November 15, 2022, Dartanian Stovall, Lot Abatement Manager, City of New Orleans (City), was interviewed by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG) at his place of employment, 1340 Poydras Street, 11<sup>th</sup> Floor, New Orleans, Louisiana. After being advised of the official identities of the interviewing Investigators, Stovall voluntarily provided the following information:

Stovall has been employed by the City for approximately eight years. Since April of 2022, he has been the Lot Abatement Manager. The previous person who held that position was Shay Zeller. Stovall works under Zeller as the Lot Abatement Manager. The contract in place between the City and Center for Employment Opportunities, Inc. (CEO) for grass cutting services was prepared and negotiated by Zeller. A \$250,000 tranche payment was made to the contractor from the City during 2022 and has been done on a quarterly basis. Stovall did not identify whose idea it was to pay the \$250,000 tranches to CEO. So far this year, two tranches were paid to CEO totaling \$500,000. After receiving an email from Investigator Rodriguez, Stovall withheld a third \$250,000 tranche that was scheduled to be paid to CEO. Stovall noted the words "Criminal Investigator" on Rodriguez's email made him pause and wonder about this contract. (OIG Note: The OIG did not advise or recommend to Stovall that he withhold the payment. He did so on his own accord.)

Stovall indicated the contract nor payments to CEO are entered into the City's LAMA and BRASS systems as is common with other contracts and payments. Stovall confirmed the \$1,000,000 contract award was one time Wisner Trust Funds and as such, Wisner Funds were not entered into BRASS. This was the first time the lawn abatement program was funded with one time money that he could recall. He advised that grass cutting is different when compared to other contracts. The LAMA system was not effective at receiving large entries en masse and was "breaking down" meaning, LAMA could not handle the financial aspects of the contract requirements with the billing information being entered. Stovall set up this contract in Microsoft Teams to allow for transparency in regards to invoices and payments related to CEO. Microsoft Teams allows information to be entered to include excel spreadsheets. He offered to provide access to OIG Investigators in an effort to be cooperative with any investigation. Stovall said Microsoft Teams is not current since he has not entered all invoices and photos into the database but intends to do so in the near future.

Stovall noted the CEO contract deals with multiple areas of lawn cutting and debris removal. Some of those contracted services include maintaining the right of ways in the Ninth Ward, mowing overgrown lawns outside of the right of ways and debris removal. These services are provided in areas other than the Ninth Ward. This involves different prices based upon the area of work performed, tasks performed, and lot square footage. For example, the amount charged for initial cut is greater than the monthly maintenance cut for a blighted property. Stovall did note that CEO is compensated at a rate approximately 25% higher than other City contractors receive for performing similar tasks. Stovall developed a couple of templates for use by CEO to document work performed and the submission of invoices to the City.

Stovall advised that the typical process for CEO to provide grass cutting services on blighted properties begins with a complaint received by the City through the 311 system. This complaint would

trigger an inspector to be sent out to look at the property to take pictures to determine the condition of the lot. Additional research is then conducted to determine ownership of the property. This would prompt a letter to be sent to the owner of the property notifying them of the complaint received. After five days from the date of notice being mailed, another inspector is dispatched for a final inspection to see if the lot had been cut or cleaned. If nothing was completed, a work order would be forwarded to a contractor to cut the grass. This process allows for an initial cut and cuttings thereafter for up to twelve months before the process would have to start over.

Stovall told investigators the verification of work performed by CEO is conducted as manpower allowed. His department has only four inspectors on staff and looking at every lot is not a viable option. He did note, photographs of completed work are required to be submitted by the contractor. If this contract would result in an overpayment to CEO, his recoupment steps would be to extend the contract or "claw back" funds from CEO. Stovall would prefer not to pay the entirety of the \$1,000,000 to CEO in 2022. His reasoning for this was to be able to ensure the contract was satisfied properly.

Stovall has not seen any information on invoices or reports from CEO relating to job or other skills training programs. He did not know any of the sub-contractors employed by CEO. He noted CEO is responsible for hiring and training employees based on the contract with the City. It is his belief that about three quarters (3/4) of this contract will be completed in 2022. His plan, if he is able to implement it, would be to roll the remaining funds over to 2023. Stovall indicated his points of contact at CEO include Shantrice Bailey, Adrena Jackson, the Regional Director of Southern Region, and Patience Lewis-Walker, the Deputy Executive Director of the Mid-Atlantic and Southern Plains.

Stovall added that Troy Glover was connected with CEO, but had to step down because he was seeking elected office. Based upon the local news regarding Wisner Trust Funds, Glover had been telling CEO that they would not receive all of the money awarded by the City in their contract. Stovall has received calls from his contacts at CEO asking him if they are going to receive the money as well.

## MEMORANDUM OF INTERVIEW

On November 21, 2022, Shay Zeller, Code Enforcement/Office of Business and External Services, City of New Orleans (City), was interviewed by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG) at her place of employment, 1340 Poydras Street, 11<sup>th</sup> Floor, New Orleans, Louisiana. After being advised of the official identities of the interviewing Investigators, Zeller voluntarily provided the following information:

Zeller indicated her participation in the drafting of the contract awarded to Center for Employment Opportunities (CEO) was for lot abatement services, which was funded with \$1,000,000 from the Wisner Trust. (OIG Note: Center for Employment Opportunities is a non-profit based in New York, which operates in multiple cities across the United States. CEO specializes in finding work placement and training for previously incarcerated citizens.) The idea was to lower recidivism rates and create in house employment programs for disadvantaged persons. She noted her work on the contract focused much on the scope of work portion. In a brief overview of her work at the City, Zeller indicated being recruited by the Mitch Landrieu administration to run the Lot Abatement Program.

Zeller was asked to explain how CEO was chosen to provide lot abatement services. Zeller stated the New Orleans Business Alliance (NOBA) hired a Venture for America Fellow named Tom Krumins. (OIG Note: Venture For America (VFA) is an American nonprofit organization and fellowship headquartered in New York City. Founded by Andrew Yang in 2011, its mission is "to create economic opportunity in American cities" by training recent graduates and young professionals to work for startups in emerging cities throughout the United States.) Krumins looked into forming a Public Benefit Corporation (PBC) and other options to address the needs of the City, including a work program for recently released prisoners, and a establishing a used tire processing facility.

In 2018, it was decided the City did not need the PBC and Krumins identified CEO as an entity that could provide lot abatement services utilizing recently released prisoners. The decision was eventually made to offer an initial contract to CEO for approximately \$1,000,000 for services. It took CEO longer to get set up and become established in New Orleans, so a public bid for services had to be issued. This bid was awarded to a contractor, H&O, for lot abatements services. Zeller indicated H&O had done a good job in lot abatement for the City and she had no issues with their work. CEO did eventually sign a contract with the City for around \$300,000 - \$400,000 to provide lot abatement services utilizing recently released prisoners. This contract did not involve funds from the Wisner Trust.

Zeller recalled in January 2021 Mayor LaToya Cantrell was interested in doing more lot abatement work around the City. Cantrell wanted to allocate \$1,000,000 from the Wisner Trust to four local non-profits to address blight and overgrown lots. After careful review and deliberation, Zeller drafted a memo to Cantrell outlining her position in awarding this grant to the CEO because it was a non-profit currently providing this service. (OIG Note: Zeller provided a copy of the memo discussed above and dated April 15, 2021. The memo lays out specifics for her views in this proposed award. A copy of this memo will be maintained in the case file.) Cantrell was in agreement with Zeller's memo and approved the grant award to CEO.

Zeller revealed the City is able to charge property owners for cutting and cleaning their neglected property. However, Zeller noted the City cannot recover the costs paid for keeping Right of Ways cleaned and cut. In respect to work performed in the Lower 9<sup>th</sup> Ward area, the contracted prices were set at higher amounts than other areas within the City. This was done in an effort to reduce the possibility of mischarging by the contractor performing the work in that area. Zeller described the contract negotiations for this Cooperative Endeavor Agreement (CEA) as taking a long time. Zeller said negotiations occurred sporadically from April 2021 thru November 2021. Some participants in the negotiations were City employees Josh Cox, Sunnae Villavaso, and CEO employee Josh Shaffer from New York. Zeller did recall a local CEO employee, Troy Glover, was an email recipient on an occasional basis but he was rarely involved in this negotiation process. Glover left CEO when he became a candidate for political office.

The prices paid to CEO were greater than previous amounts paid by the City to H&O and other contractors for the same services. This was because of the worker training services to be provided to the employees of CEO based upon their needs and life situations. Zeller recalled forwarding an email to Cox who was overseeing the Office of Gun Violence Prevention for the City. She had a phone conversation with Cox who had no issue with the prices listed in the CEA. According to Zeller, the training provided with this grant to CEO would hopefully assist in reducing gun violence and enable the workforce being employed to develop employable skills.

Zeller was asked why using funds from the Wisner Trust were considered. She noted that previous lot abatement work was funded by "Fund 5110" which is comprised of fees and fines generated by Code Enforcement. The usual amount set aside annually for grass cutting by the City was approximately \$1,000,000. She recalls that Cantrell suggested that the funds from the Wisner Trust be used to address lot abatement because the balance in Fund 5110 had decreased over the last few years. Zeller spoke to City employee Jonathan Harris who has experience in Wisner Trust appropriations. Funds derived from the Wisner Trust could be used for beautification and human services. Zeller noted that H&O was being considered for the plan but was deemed unqualified because the chosen party had to be a non-profit. Zeller also indicated Forward Together New Orleans (FTNO) was viewed as a possible choice to administer the distribution of funds from this grant. She ultimately decided against FTNO because she did not like the idea of paying an administrative fee for this grant. Based upon these facts, Zeller contacted CEO employee Patience Lewis-Walker and offered CEO the opportunity to be the recipient of a \$1,000,000 CEA with the City. Zeller said in her conversation, she told Lewis-Walker that CEO would have to get serious and be able to handle the increased number of blighted properties they would soon be receiving.

Zeller was asked to explain why CEO initially received a \$1,000,000 check from the City. Zeller replied that the contract signed in December 2021 was being routed around to all the parties prior to the realization that the funds were coming from the Wisner Trust. Since this award was considered a grant by the City and grants are typically paid in a lump sum, a check for \$1,000,000 was mistakenly sent to CEO by the City. Zeller was able to have the check returned by CEO prior to it being negotiated. As with most grant receiving organizations, a year-end report is usually submitted to demonstrate how and where the funds provided were spent. Based upon discussions between Zeller and Mary Pettengill with the City, the decision was made that CEO would be paid in four payments of \$250,000 each. This would relieve some administrative burden within the understaffed lot abatement department from having to process multiple requests for reimbursement from CEO.

Zeller was reminded by the investigators and agreed this process was not spelled out in the contract with CEO. As of the date of this interview, two payments of \$250,000 have been sent to CEO. According to Zeller, a third payment of \$250,000 was not sent as a result of pending litigation between the City Council and the City over use of funds from the Wisner Trust. Zeller indicated it will soon become an agenda item for City Council approval.

Zeller said funds from the Wisner Trust remain in the account which holds those funds until they are requested for payment. Zeller was asked what would happen in the event that CEO was overpaid with funds from the Wisner Trust for work not provided. Zeller advised in her conversation with Lewis-Walker of CEO, she learned that in other municipalities with CEO contracts, an overpayment would usually result in an extension of the agreement in order to complete the project. However, Zeller noted since this is a CEA, no extension can be granted due to current policies. Zeller would have the overpaid funds "clawed back" from CEO. (OIG Note: "Clawed back" was used as a term to recoup any overpaid funds sent to a contractor.)

Zeller recalled seeing an email from Pettengill which indicated the contract for CEO relating to the Wisner Trust would be placed into BRASS. (OIG Note: BRASS is the City of New Orleans Procurement and Finance System). As was noted in this contract, completed work orders and photographs showing completed work were uploaded into LAMA. (OIG Note: LAMA is the City of New Orleans Land Management application system utilized to create, store, and maintain documents created in the permitting and construction process. LAMA is also used by Code Enforcement personnel for addressing blight complaints within the city.)

When CEO initially started operating in New Orleans, they experienced a large amount of startup costs. CEO received subsidies from sources outside of city government to help CEO absorb those costs. CEO was operating at a loss arising from the services provided to the City. Zeller also noted when CEO came to the City a myriad of trying occurrences took place. She discussed the Cyber Attack on the City and Covid-19 Pandemic made it difficult for CEO to achieve their goals. Zeller has not seen any reporting from CEO regarding training provided to employees as stipulated in the CEA. She did admit some responsibility for not requesting that documentation from CEO. Zeller is now working in a different area and no longer serves as the manager of the lot abatement program.

## MEMORANDUM OF INTERVIEW

On December 19, 2022, Patience Lewis-Walker, Deputy Executive Director of Center for Employment Opportunities (CEO) and Shantrice Bailey, New Orleans Site Director for CEO were interviewed at the business location, 2228 Gravier Street, New Orleans, Louisiana by City of New Orleans (City), Office of Inspector General (OIG) Investigators Troy Chenevert and Damon Rodriguez. After being advised of the identities of the interviewing investigators and the nature of the interview, Lewis-Walker and Bailey voluntarily provided the following information:

Bailey was asked how records and photographs related to the lots cleaned and cut by CEO crews in the City were submitted. Bailey indicated the records are submitted to the City via Microsoft Teams. The records submitted included information regarding the lot size and the specific type of work performed at the lot location. Lewis-Walker added that in 2019 CEO utilized LAMA for this type of submission but it was difficult to operate. (OIG Note: LAMA is the City of New Orleans Land Management application system utilized to create, store, and maintain documents created in the permitting and construction process. LAMA is also used by Code Enforcement personnel for addressing blight complaints within the city.) Lewis-Walker continued to elaborate the Microsoft Teams was created by the City in order to streamline work for them and place the information into an Excel document.

Bailey recalled the issues with LAMA and BRASS appeared to be related to the systems themselves. (OIG Note: BRASS is the City of New Orleans Procurement and Finance System.) Bailey noted timing seemed off in regards to billing for work performed in previous years. Bailey also detailed how the City only has one person who works one day a week handling processing of LAMA and BRASS invoices. Under the terms of the 2022 agreement between CEO and the City, CEO was to be paid with funds from the Wisner Trust. The City would pay CEO in 4 tranches over the contract term and the City would verify work was performed according to the contract. Lewis-Walker added there is enough work within the City that could be performed by CEO and satisfactorily complete the \$1,000,000 contract for the year 2022. Lewis-Walker had a meeting with Tim and Dartanian Stovall of the Lot Abatement Program for the City. Both men acknowledged the City was a little behind on the schedule of work being provided to CEO. Lewis-Walker described CEO as being a "data rich" entity when it comes to the business operations. Lewis-Walker stated the New Orleans Business Alliance brought CEO into the City in order to develop job training opportunities for re-entry citizens to New Orleans. (OIG Note: Re-entry citizens are individuals who have completed their prison sentence and are no longer in custody). The CEO corporate office subsidizes the operating costs and Lewis-Walker advised the non-profit loses money in operating the crews inside the City.

Bailey advised CEO operates 5 crews in the City for the lot abatement program. Each crew is made up of 7 to 8 members who are employees and participants in the CEO transitional work program. CEO provides equipment for each crew in order to complete the assigned work for the day. Lewis-Walker noted the equipment cost is expensive. In addition, CEO has experienced an increase in equipment damage including several recent instances where grass cutting equipment was damaged subsequent to running over concrete blocks that had been thrown deep into an overgrown lot. Lewis-Walker noted some of the lots to be cleared by the CEO crews are more than 5 to 6 feet in height with overgrown vegetation and are infested with bugs and vermin.

Lewis-Walker noted the participants in this CEO program in the City generally are male and come from State Probation and Parole or the unhoused. All participants complete a 2-day orientation that goes over a variety of items to instill in them the expectations of potential employers. In addition to skills training in the orientation, participants become I-9 ready for employment if another opportunity was to arise. (OIG Note: Form I-9 is used by employers to verify the identity and employment authorization of individuals hired for employment in the United States). The goal of CEO is to make the participants job ready and find permanent job placement after completing the program. The participant is tracked for one year after completing the transitional work program.

Lewis-Walker stated CEO uses Skylight Pay Card as the mechanism to pay the participants. (OIG Note: Skylight Pay Card is a convenient alternative to cash and checks. Money is deposited into an account and can be accessed across the country to pay for items or cash withdrawals from an ATM.) Bailey said the participants are paid an hourly wage of \$11.19 and receive their pay on a daily basis. Lewis-Walker confirmed the participants are employees of CEO and have taxes withheld and are issued a W2. The participants attend weekly trainings and meetings with a job coach. The purpose for this is to develop financial literacy skills and other life skills for success in life. The crews employed by CEO are each managed by a CEO employee. The crew manager also provided feedback and lessons to the participant in order to achieve work skills.

Lewis-Walker was involved in the hiring of a previous New Orleans site director, Troy Glover. She indicated having concerns about him after she concluded the interview with Glover. Lewis-Walker described her views on Glover as being a "schmooser" and not one who could analyze the data needed to do the job well. CEO uses a multi-layer interview process with potential hires and other interviewers were pleased with Glover. Lewis-Walker re-interviewed Glover to see if she missed something. Glover was the site director and left CEO after announcing his candidacy for local office.

## MEMORANDUM OF INTERVIEW

On January 18, 2023, Dartanian Stovall, Lot Abatement Manager, City of New Orleans (City), was interviewed by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG) at 525 St. Charles Avenue, Suite 300, New Orleans, Louisiana. After being advised of the official identities of the interviewing Investigators, Stovall voluntarily provided the following information:

Stovall wanted to meet and update the OIG regarding a few recent developments at his office. Tim Forestall who was the Deputy Director of Code Enforcement was terminated. Stovall believed this would be of interest to the OIG since Forestall was opposed to awarding another lawn abatement contract to the Center for Employment Opportunities (CEO). According to Stovall, Shay Zeller, Code Enforcement Supervisor, filed a complaint against Forestall with Human Resources (HR) related to a conversation she had with Forestall. Based upon what Stovall learned, the conversation was recorded by Forestall and played for HR. Stovall heard the recording and did not feel anything ugly or inappropriate occurred. Forestall indicated to Stovall his termination resulted from the new Director of Code Enforcement wanting to install his own Deputy Director. Forestall was brought to the City by former Deputy CAO Peter Bowen.

Zeller was pushing for the City to complete another contract with CEO for 2023. Stovall indicated Zeller has a friendship or connection with personnel employed by CEO. It is possible that relationship is with Patience Lewis-Walker, Deputy Executive Director. Zeller spoke to Mayor LaToya Cantrell at an event regarding CEO and completing a contract for their lawn abatement work. Zeller has been vocal about the possibility of CEO laying off people as a result of not having a contract in place with the City. Stovall noted Councilman Eugene Green is opposed to providing a contract to an entity that is from out of state. Cantrell supported Zeller and wanted to have the CEO contract completed. However, staff member Tom Mulligan wanted to slow down the process and proceed in a prudent direction. Stovall expressed feeling that something was odd about the CEO 2023 contract proposal.

Stovall estimated that CEO will come close to spending the entire \$500,000 paid to the entity in 2022, but not the other half of the total \$1,000,000 in Wisner Trust Fund monies allocated for their lawn abatement contract. As previously discussed with the OIG, two tranches of \$250,000 were sent to CEO in calendar year 2022. No additional tranches were sent to CEO in 2022 because there was not enough time left in the year to use up those funds in an appropriate manner. The 2022 agreement with CEO provided funds for maintaining the right of way in the 9<sup>th</sup> Ward, cleaning overgrown lots of trash and cutting abandoned lots. CEO would receive \$500 for the initial cut and \$50 for each subsequent cut. Stovall said this reimbursement arrangement exceeds the existing rate paid by the City to the other service provider H&O. (OIG Note: H&O is a separate vendor providing lawn cutting and debris removal services on blighted and abandoned properties in the City.) Based upon his review of documentation, CEO was paid about \$25,000 for the right of way work performed. Stovall described feeling pressured by Zeller to send the third \$250,000 tranche to CEO. His biggest concern about CEO related to their contract being actively investigated by the OIG. In Stovall's view, we are "carrying on like this did not happen." A Cooperative Endeavor Agreement for the 2023 agreement with CEO is being drafted and soon will be executed. Stovall is unaware of the total amount for this contract. It was Stovall's belief the CEO agreement is being rushed.



When Stovall took over the lot abatement program, he instructed CEO to invoice the City for the services provided. According to what he learned from CEO, they were informed not to invoice the City by Zeller. This information was relayed to Stovall by local CEO employee Shantrice Bailey during a conversation. The billing to the City from CEO is in very poor shape. The person who invoices the City for work performed also supervised a work crew. Stovall wanted CEO to hire a dedicated employee to invoice the City for the work performed by CEO. Stovall noted the same person who supervised the work crew had stolen mowing equipment from the storage facility used by CEO.

Zeller is looking for a software that can be used by CEO to bill the City as required by the contract. Zeller is scheduling meetings regarding CEO, the billing issues they are creating, and proposed billing software. The exact reason for this behavior by Zeller is unknown to Stovall. Zeller managed the lot abatement program beginning in 2017. However, Zeller was promoted, moved on and eventually Stovall took over the program. In 2019, the City paid to cut over 12,000 lots under the program management of Warren Jones. (OIG Note: Warren Jones was the Lot Abatement Program Manager during 2019). In 2020, the number of lots mowed fell to just over 2,400 lots and decreased further in 2021 to about 1,400 lots. Stovall estimated the lots cut by all providers in 2022, including CEO, would be around 4,000. At the current point in time, grass cutting is not being performed within the City. The City Council is working on a contract amendment for H&O and a CEA is being developed for CEO.

## MEMORANDUM OF INTERVIEW

On February 2, 2023, Tim Forstall, outgoing Deputy Director of Code Enforcement and Hearings Bureau and Chief of Operations, City of New Orleans (City), was interviewed by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG) at 525 St. Charles Avenue, Suite 300, New Orleans, Louisiana. After being advised of the official identities of the interviewing Investigators, Forstall voluntarily provided the following information:

Forstall was called to a meeting on January 6, 2023 with his direct supervisor, Deputy Chief Administrative Officer (DCAO) Tom Mulligan. Also present for the meeting was a representative from Human Resources, Sinead Daniell. Forstall was informed by Mulligan the City wanted to "move on from Tim." Forstall was surprised at this statement and was given two options. One option was to resign which would be effective on February 3, 2023. This option allowed four additional weeks of pay. The other option was termination by Mulligan. Forstall signed the resignation paper handed him by Mulligan but never received a copy. Forstall advised he was never provided any reason for his termination at this meeting. Forstall later learned that Zeller filed a complaint against him with HR regarding "micro aggressions."

Forstall, a previous Army Blackhawk Helicopter pilot, was hired in the above-described position after hurricane Ida in October 2021. His hiring authority was Peter Bowen a DCAO who ultimately left the City due to a DWI arrest and statements made to the arresting officer. Forstall was hired for his leadership skills and was tasked to think outside the box at Code Enforcement. He described Code Enforcement as in need of a complete overhaul in professionalism and team cohesion. Forstall described issues with employees arguing and threatening each other over trivial matters. Forstall advised his recent replacement was David Grunberg who was fired by Bowen for gross incompetence prior to Forstall's hire.

Forstall was asked to describe his interactions with Code Enforcement employee Shay Zeller. Zeller has the title of Policy Advisor but on her own volition changed her title to Deputy Director of Diversity and Inclusion. Forstall learned of this title change when he began to require Zeller show up to work and not bring children to work. Forstall admitted he and Zeller "buted heads." That friction between Forstall and Zeller dealt with her role and responsibilities in the department, and her having more privileges than other Code Enforcement employees. Once Forstall began to require Zeller to show up at the office, she raised allegations related to his qualifications and skills to perform the Deputy Director's job. Forstall spoke with Tammie Jackson regarding the issues with Zeller and as a result her title returned to Policy Advisor.

Forstall indicated Chapter 66 is a state statute that gives the City the right to address blighted and abandoned properties. The City used two vendors to clean and cut overgrown lots. Forstall identified those vendors as Center for Employment Opportunity (CEO) and H&O. He identified CEO as the smaller vendor of the two. Forstall acknowledged the mission and vision of CEO is a good one with programs offered to their work force, however, his issue related to lack of proof that work was performed by CEO. Forstall was concerned that CEO was awarded a \$1,000,000 contract from the City with little or no vetting. He further was concerned that Zeller would not provide him with any proof of a completed vetting process for CEO.

According to Forstall, Zeller told CEO they did not have to submit invoices and photographic proof of work completed regarding lot abatement. This was not in accordance with the contract signed between the City and CEO. With the expiration of the contract in December 2022, Forstall wanted at least two other vendors to be solicited to submit a bid for the lawn abatement program. Zeller wanted to be removed from any involvement in the lot abatement program. Even though Zeller wanted out of the lot abatement program, she would speak directly with Mayor LaToya Cantrell about the CEO contract.

As part of his position as Deputy Director of Code Enforcement, Forstall met with Councilmembers and toured their districts making notes of areas that needed to be addressed. Mulligan allowed Forstall to meet alone with all Councilmembers except Joe Giarrusso and Helena Moreno. Forstall described this as a "Power Move" in regards to Moreno as she was the Council President. Mulligan also was concerned and asked Forstall if he planned to run for public office. Forstall related his only goal was to make a difference in citizens in need. His attitude concerning the residents of the City was, "they deserve" good government.

The City paid CEO 2 tranches of \$250,000 as part of the 2022 contract. The decision for these payments was made by Zeller. Forstall was told of this decision by lot abatement program manager Dartanian Stovall. A third tranche of \$250,000 was stopped based upon vocal questions being asked by Forstall about the lack of proof of work being performed by CEO. Forstall's background in the military was always to dot the I's and cross the T's.

According to Forstall, Zeller is a friend of someone employed with CEO. It is possible that individual is the Deputy Executive Director of CEO Patience Lewis-Walker. Forstall had a chance meeting with Lewis-Walker while having lunch at Italian Pie. Lewis-Walker and local CEO employee Shantrice Bailey were present. Upon the conclusion of lunch, Lewis-Walker made a statement to Forstall he was nothing like Zeller said he was. Forstall thought this to be odd in regards to why Zeller would be making a statement about him to a City vendor.

According to Forstall, he was receiving kudos for his work at Code Enforcement in late 2022 or early 2023. The CEO contract had ended with the City and Zeller began to insert herself back into the renegotiation process. This action by Zeller was discussed with Mulligan who instructed Forstall to "tell her to stay the fuck out." This conversation was also heard by Stovall and Forstall told Mulligan he would speak to Zeller and be more diplomatic in the instruction. Forstall scheduled a meeting with Mulligan, Zeller, and Stovall as invites. Mulligan canceled shortly before the meeting and Stovall was out with a disc issue. Since it was only going to be Forstall and Zeller, he called her directly and chose to record the conversation to protect himself. Forstall noted he directed her to stay out of the lot abatement program as directed by Mulligan. Zeller became quiet and then aggressive on the call. Zeller could not believe Forstall would speak to a colleague in such a way. Forstall denied being rude or aggressive on the call but did regret having a back and forth with Zeller. He played the recording for Mulligan who appeared to be in agreement with Forstall and his actions. After this meeting with Mulligan, Forstall was contacted by Mulligan's secretary who informed him that Mulligan wanted to meet with him at 1:30 pm. This was the January 6, 2023 meeting previously described where he was presented with the resignation or termination options.

According to Forstall, CEO was a sole source vendor for the City but this does not make sense as there are multiple entities that can cut grass. One previous vendor was Black Men of Labor in New

Orleans. Black Men of Labor does not want anything to do with the City and the lot abatement program due to Zeller. Prior to Zeller's involvement in the lot abatement program, Warren Jones handled the job and delivered over 12,000 lot cuts in 2019. (OIG Note: Warren Jones served as Lot Abatement Program Manager for the City of New Orleans during 2019.)

Zeller went directly to Mayor Cantrell on multiple occasions and pushed for a new contract in 2023 for CEO. Forstall was told by Mulligan that CEO would be a lot abatement contractor with the City. Forstall accepted Mulligan's direction but continued to make sure CEO was accountable for money received from the City for its invoiced work. Zeller has been spending time with a new software, Tolemi, to replace LAMA within the City for invoicing lots cut and cleaned by CEO. Zeller instructed Forstall to draft the new CEO agreement for 2023 which Forstall declined unless directed to by his superior Mulligan.

Forstall was asked if he was aware where a City vendor was overpaid for services and the City would "claw back" the overpaid amount. He denied any previous familiarity with this proposed solution in regards to overpayments.

Forstall was told Zeller was employed in the City Attorney's office but was fired from that position in approximately 2017. It was possible the City Attorney was Sunni LeBeouf. Zeller was hired back with the City and placed in Code Enforcement by Chad Dyer.

## MEMORANDUM OF INTERVIEW

On February 6, 2023, Warren Jones, Senior Building Plan Examiner, City of New Orleans (City), was interviewed by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG) at 525 St. Charles Avenue, Suite 300, New Orleans, Louisiana. After being advised of the official identities of the interviewing Investigators, Jones voluntarily provided the following information:

Jones was employed as the program manager for lot abatement within the Department of Code Enforcement. He estimated he worked in Code Enforcement from 2019 - 2020. He recalled the money provided for the lot abatement program was \$1,000,000 and he and his analyst, Dartanian Stovall, knew that the money would be spent and additional funds were needed to finish the year. As a result, a subsequent request for an additional couple hundred thousand dollars were made and funds were obtained. Stovall is the current program manager for lot abatement in the Code Enforcement Department.

Jones was familiar with Shay Zeller, an employee at Code Enforcement, during Jones' time there. He described Zeller as an attorney by degree, who came to Code Enforcement from the City Attorneys Office. Jones called Zeller "the titular head" of the lot abatement program within Code Enforcement. The day-to-day operation of the lot abatement program at that time was handled by Stovall.

Jones was at Code Enforcement in 2021 when Center for Employment Opportunity (CEO) was given an opportunity to bid on lot abatement work. He noted that CEO was smaller in size than the existing vendor at the time, H&O. Jones and Stovall worked with CEO to develop personnel and policies for submitting invoices and documentation for work performed on behalf of the City.

The 2022 contract with CEO was funded from the Wisner Trust. Jones made it clear to Zeller, Tammie Jackson, and Winston Reed that the City software, LAMA, was ill-suited for handling invoices from this program. This issue was mentioned by Jones well before CEO came into the picture with the City. LAMA is a "relational database" to manage land use data for the City. The software developer, The Davenport Group, continued on a retainer agreement for updates and repairs of the software.

The lot abatement program handles thousands of addresses for grass cutting and debris removal. Some of the work performed included initial cuts, maintenance cuts, and right of way cuts. For example, Jones indicated a right of way cut could potentially cross multiple addresses when being completed. LAMA did not provide a method to identify this fact and account for it in regards to proving the work was actually performed. In addition, LAMA could not effectively maintain the documentation and photographic proof provided by the vendors in order to be paid.

During his tenure over the lot abatement program, Jones coordinated with other City projects on beautification. He noted one program he developed was the Safe Routes to School Program. This program targeted all schools in the City and addressed rights of ways and blighted properties near a particular school. The program cleared all access routes for students and parents dropping students off at school. This program was directed toward student safety and beautification purposes.

## MEMORANDUM OF INTERVIEW

On February 28, 2023, Tammie Jackson, Director of Safety and Permits, City of New Orleans was interviewed by Investigator Damon A. Rodriguez and Investigator Kenneth Petro, City of New Orleans (City), Office of Inspector General (OIG). After being advised of the official identities of Rodriguez and Petro, Jackson voluntarily provided the following information:

She recalled a few meetings related to Center for Employment Opportunities (CEO) being held by staff members in which she was invited. She said she voiced concerns over the term of abatements use in Code Enforcement. She said the term implied there was a violation of City Code. She opined that the City could not maintain grass on private property if it was listed as an abatement. She warned those present in that meeting that the City needed to be careful in how grass was being cut and that proper documentation was required. She explained to those present that post Hurricane Katrina, vendors and City inspectors conduct was called into question by the FBI. She did not recall specifics, but that it centered around vendors completing assignments and verifying their own work instead of City Inspectors. She said the work was not being verified properly by the City and that vendors were actually checking their own work and submitting invoices to the City for payment without proper City verification.

Jackson was unaware of CEO being told by City employees that they did not have to submit invoices and would not believe anyone would tell them it was proper to do so. She said she recalled D'Artanian Stovall had invoices received from CEO for completed work, but she was not heavily involved in that project. Jackson remembered a meeting in which LAMA was discussed in relationship to the grass cutting work being assigned by the City. She said it was known that LAMA would not work for what was needed in managing an ongoing program. She knew Stovall had created an Excel based database to manage the invoices and payments because of LAMA's inabilities. Jackson recalled the City wanted to recover some of the money the City spent on lot abatement services related to abandoned properties by locating and charging the property owners, but that success was very limited.

She was unaware of how the CEO contract it was written. Rodriguez explained to her that funds from the Wisner Trust were allocated to pay for the services specified in the contract and CEO was required to utilize LAMA and BRASS. Rodriguez advised that CEO was paid in \$250,00.00 installments quarterly, contrary to the contract. Jackson opined that based on the contract not providing payments be made in that fashion, it would be inappropriate to pay those installments.

Jackson recalled that Rebecca Atkinson worked for CEO as Regional Manager, but that she was previously employed by the City of New Orleans. She recalled she being very knowledgeable and may have worked in the Innovation Department of the City. She was unaware of any City employee having a relationship with CEO other than through business dealings. CEO and the City met, but to her knowledge it was strictly professional.

## MEMORANDUM OF INTERVIEW

On April 4, 2023, Jonathan Henderson, Director of Strategic Initiatives, City of New Orleans (City), was interviewed telephonically at 1300 Perdido Street, Suite 2E04, New Orleans, Louisiana, by Investigators Troy Chenevert and Damon Rodriguez, of the City of New Orleans Office of Inspector General (OIG). After being advised of the official identities of the interviewing Investigators, Henderson voluntarily provided the following information:

Henderson became employed in his current position with the City in August 2022. Based upon his knowledge, Wisner Trust funds are sent to the City and stay in an account used to hold those funds. When disbursements are needed for certain projects, the money is transferred by the City from this account. Henderson noted in regards to the Centers for Employment Opportunities (CEO), \$500,000 of the original \$1,000,000 in Wisner Trust funds intended for CEO remains in the account operated by the City. Henderson learned from Shay Zeller with Code Enforcement for the City that two disbursements of \$250,000 each were made on two occasions to CEO. Henderson stated since this was a new program with CEO, Zeller was hesitant to provide the entire \$1,000,000 all at once. Henderson advised that Wisner Funds are typically "granted" to a "fiscal agent" for a specific program.

Henderson said since there is an injunction involving the Wisner Trust, he has to submit any disbursement requests to the City Council for approval. Then upon the approval being voted in the affirmative, Henderson also has to get the judge overseeing the litigation to sign off on the disbursement. After all those approvals are documented, the City can provide funds from the Wisner Trust to the recipient.

## Damon Rodriguez

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**From:** DArtanian J. Stovall [REDACTED]  
**Sent:** Thursday, April 20, 2023 11:05 AM  
**To:** Damon Rodriguez  
**Cc:** Troy Chenevert  
**Subject:** RE: Update

**Categories:** Red Category

The final amount was \$24,461.99. It's been requested from CEO and they are objecting to it. They are reviewing internally to find data supporting their position.

**From:** Damon Rodriguez [REDACTED]  
**Sent:** Wednesday, April 19, 2023 10:28 AM  
**To:** DArtanian J. Stovall [REDACTED]  
**Cc:** Troy Chenevert [REDACTED]  
**Subject:** Update

**INTER-AGENCY EMAIL**

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Good morning D'Art. Could you provide an update on the CEO monies that were unaccounted for when we last spoke? Based on last time, it was 24-25K. Thanks for your time. Damon



**Damon Rodriguez, CFS, CIGI**  
Criminal Investigator

525 St. Charles Ave., Suite 300  
New Orleans, LA 70130

O [REDACTED] | M. [REDACTED]  
[REDACTED] | [noiaig.gov](http://noiaig.gov)



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