Summary Title: Family Resources Foundation Funding Update

Title: Update on Fundraising Efforts by the Family Resources Foundation in Palo Alto

From: City Manager

Lead Department: Community Services

This is an informational report and no Council action is required at this time.

Background:
In the State of the City Address in 1994, then Mayor Liz Kniss identified the pressing problems and changing needs of families in Palo Alto. The City Council convened a task force to develop a plan to address the expressed community needs for better coordination of family and youth-related services. Focus groups, surveys, and forums were used to solicit input from the community. The major theme that emerged from these efforts: though there is a vast array of services in the community, there is not adequate awareness of these services or easily accessible information about them. Families also expressed a sense of isolation and often didn’t know how to avail themselves of needed services. The Task Force presented the information from these needs assessments to the City Council and proposed a plan for a new Palo Alto Family Resources Program.

A three-phase “high-tech/high-touch” implementation plan, based on the collaboration of nonprofit service providers, the City of Palo Alto, and the Palo Alto Unified School District was presented in CMR 415:97 and approved by City Council. The budget for this plan was approved by City Council in February 1998.

The Family Resources Program has three components:
1. Family Resources Website; www.cityofpaloalto.org/familyresources
The website features over 600 resources in a searchable database. The Family Resources website offers easily retrievable information about human services available to the Palo Alto community including child care, landlord or neighbor dispute resolution, transportation, counseling, emergency aid and other topics.

2. Desktop Kiosks of Information
Desktop kiosks were developed to complement the information contained in the Family Resources website and to provide a more traditional format in the absence of access to or
comfort with the internet. The Desktop Kiosks are placed in a variety of locations in the community (more than 80 locations at present), such as public libraries, resource centers, child care facilities, service organizations, and community centers.

3. **Ambassador Development Program**

“Ambassador” trainees participate in a series of monthly meetings offering opportunities to develop community connections and hear presentations by local service providers and by authorities in various fields of service. Ambassadors represent a cross-section of the community and are comprised of service providers (both directors and staff), local purveyors of information, members of grassroots organizations, and community members at-large. Graduates of the program provide a person-to-person infusion of information and connections within their own respective communities (neighborhoods, schools, workplaces, places of worship, etc.).

In 2005, a group of Family Resources supporters convened to establish a Family Resources Foundation (Foundation) of Palo Alto with the mission of supporting the goals of the Family Resources Program, promoting the Family Resources Ambassador Program, serving as the program’s advocates and raising a portion of the funds required to operate the program.

The full-time staff position supporting the Family Resources Program was slated for elimination at the end of Fiscal Year 2005-06. At that point, the Family Resources Foundation stepped forward and agreed to provide 100% financial support for this staff position.

In 2010, after receiving direction from the Finance Committee on the cost sharing plan for the staff position, the Foundation entered into a formal agreement (CMR 112.10) with the City of Palo Alto. Specifically, the agreement stated the Foundation would provide the City with annual reimbursement of $95,451 to cover the full direct cost of the full-time staff position (including benefits). Whatever balance was not raised during the first FY of the agreement would carry over and be added to the amount owed the next fiscal year.

Excerpt from the "Agreement between the City of Palo Alto and the Family Resources Foundation in Palo Alto for Mutual Support and Cooperation."

1.4 If the Foundation fails to fully reimburse the City for costs in any fiscal year, the amount by which the Foundation fails to fully reimburse the City will be carried forward to the immediately following fiscal year and, for purposes of calculating the amount to be reimbursed in the following fiscal year, that carry-forward amount will be aggregated with the amount to be reimbursed by the Foundation in the following fiscal year. By way of illustration, if at the end of FY 2009-10, the Foundation has reimbursed the City only $90,000 of the $95,941 amount due and owing to the City, then the Foundation will have failed to reimburse the City in the amount of $5,941 [$95,941 - $90,000]. If the City’s program costs for FY 2010-11 remain static at $95,941, then at the end of FY 2010-11, the Foundation will be obligated to reimburse the City in the amount of $101,882 [$95,941 and $5,941]. If the Foundation will have reimbursed the City only $90,000 of
the $101,882 amount due and owing to the City, the Foundation then will have failed to reimburse the City in the amount of $11,882 [$101,882 minus $90,000]. In that event, the City at its option may terminate this Agreement, subject to all of its rights and remedies to seek reimbursement of the unpaid amount of $11,882.00 from the Foundation.

At the end of FY 2009-10, the Foundation reimbursed the City a total of $32,908. The unreimbursed amount of $63,032 carried forward to FY 2010-11.

Given the severe budget crisis of the City in FY 2009-10 and the inability of the Foundation to raise the funds to reimburse the City for the full amount owed of $95,451, a decision was made to cut the staff position to half-time starting in July 2010. Therefore, the current amount owed by the Family Resources Foundation is $110,973 (balance of $63,032 from FY 2009-10 and $47,941 for amount owed in FY 2010-11.)

Discussion:
The Foundation has found it extremely challenging to raise the annual amount needed to fully reimburse the City for the cost of a staff member to support the Family Resources Program. Please see Attachment B, which is a letter from the Foundation outlaying their efforts and plans for possible future efforts. Staff met with Foundation Board President Barbara Spreng to discuss the challenges of fundraising for this operational program and the Board's decision to end the funding of the staff position.

The Foundation is continuing to fundraise for the program and hopes that by the end of this fiscal year it can reimburse the City approximately $25,000. That would leave $85,973 unreimbursed for FY 2009-10 and FY 10-11.

The Foundation has informed City staff that it will be terminating the “Agreement between the City of Palo Alto and the Family Resources Foundation in Palo Alto for Mutual Support and Cooperation” on June 30, 2011, after which it will no longer be raising funds (in support of the half-time staff position) to contribute specifically to the Family Resources Program. This will result in the elimination of one half-time staff position in the FY2012 budget and the end of the Family Resources program in its current form.

This position is part of the Office of Human Services in the Community Services Department. The Community Services Department does not have the capacity in its current budget to be able to absorb the cost of this position. Last fiscal year, two full-time positions in the Office of Human Services were eliminated (after staff retirements) and as stated before, the position being funded by the Foundation was cut from full-time to half-time. With this cut, staffing for the Office of Human Services will be reduced from a total of five to two full-time staff. The manager of this unit was formerly part of the Recreation Division and has continued to be responsible for most of her Recreation duties (special events, therapeutic recreation, and senior programs), in addition to a majority of the major duties of the two retired staff members. This has severely impacted the ability of this unit to work on key program areas that
it is responsible for including the Human Relations Commission, Child Care, Human Services Resource Allocation Funds, Family Resources Program, landlord/tenant issues, Project Safety Net, and liaison work with local non profits on a variety of issues including homelessness.

**Resource Impact:**
The termination of the agreement between the Foundation and the City of Palo Alto will result in the elimination of a half-time staff position in FY2012. The unreimbursed revenue of $47,941 in FY 2011 from the Foundation to support a City staff position is proposed to be included and removed from the FY 2011 budget though the mid year budget amendment ordinance (BAO.)

**Policy Review:**
Collaboration with the Family Resources Foundation for mutual provision of a broad based information and referral service and community Ambassador training program furthers Policy C7 of the Community Facilities and Services element of the Comprehensive Plan (Actively work with private, nonprofit, and public community service organization to avoid duplication and to coordinate the delivery of services like child care, senior services, and recreation) and the goal of Policy C8 (Establish a program to facilitate continuing corporate support for community services through contributions of funds, time, materials, and expertise.)

**Attachments:**
- Attachment A - Family Resource Foundation Agreement (PDF)
- Attachment B - Letter from Family Resources Foundation (DOCX)

Prepared By: Minka VanDerZwaag,

Department Head: Greg Betts, Director, Community Services

City Manager Approval: James Keene, City Manager
 AGREEMENT WITH 

THE FAMILY RESOURCES FOUNDATION IN PALO ALTO 

FOR MUTUAL COOPERATION AND SUPPORT 

Dated as of __________________, 2010
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Exhibit “A”  Insurance Requirements
Exhibit “B”  Certification of Nondiscrimination
AGREEMENT WITH
THE FAMILY RESOURCES FOUNDATION IN PALO ALTO
FOR MUTUAL COOPERATION AND SUPPORT

This AGREEMENT FOR MUTUAL COOPERATION AND SUPPORT (the “Agreement”), dated, for convenience, ________________, 2010 (the “Effective Date”), is entered into by and between the CITY OF PALO ALTO, a California chartered municipal corporation (the "City"), and the FAMILY RESOURCES FOUNDATION IN PALO ALTO, a California public benefit corporation organized under the California Nonprofit Public Benefit Corporation Law (the "Foundation") (individually, a “Party” and, collectively, the “Parties”), in reference to the following facts and circumstances:

RECITALS:

1. In February 1998, the City approved a Family Resources Implementation Plan (the “Plan”), which reflected the Family Resources Business Plan’s goals of facilitating connections between and among residents of Palo Alto regarding the many community resources, decrease the sense of isolation experienced by many young families upon coming to Palo Alto, and to build a strong sense of community in Palo Alto. Under Phase One of the Plan, the City developed a database of information about City- and community group-provided services, the design of a website to access this information, and a training program for Plan implementation. Funds to hire staff, a fund developer and a website design consultant were approved, and Phase One was completed in June 2000.

2. The attributes of the Plan include the following, all of which are referred to as the “Program”: (a) an on-line database of searchable resource information, including, but not limited to, service descriptions, target groups, key words, and the names of public service agencies; (b) over 80 Family Resources Desktop Kiosks of Information that are placed at publicly accessible locations, which are supported by Family Resources Ambassadors; (c) a person-to-person, information-sharing, and community-building resource training program, developed under the “Ambassador Development Program;” and (d) a central office at the Cubberley Community Center (the “Center”), where Resource Specialists are available for telephone and in-person consultation.

3. Since November 2005, the Foundation has provided financial and advisory assistance and support to advocate on behalf of, and ensure the continuation of the Plan’s benefits to, the Palo Alto community. The Foundation intends to benefit the City and the Palo Alto community by providing certain funding for the core Family Resources program that includes support for (a) the updating of the Family Resources Foundation web site, (b) the Family Resources Ambassador Training Program, (c) the upkeep of the community kiosks, and (d) educational community events.

4. The Parties wish to more closely collaborate and mutually cooperate and support each other in the future, to improve, enhance and sustain the the Program, which will identify, develop or provide community resources and related services to the Palo Alto community.

AGREEMENT:
NOW, THEREFORE, in consideration of the foregoing recitals and the following covenants, terms, conditions and provisions of this Agreement, the Parties agree:

SECTION 1. TERM; EXTENSION; TERMINATION

1.1 This Agreement will commence on the Effective Date; the initial term is three (3) years (the “Term”), unless it is earlier terminated by a Party as herein provided.

1.2 The Term may be extended by the Parties for one (1) additional term of three (3) years (an “Extension Term”); provided, however, the City may require the City Council’s approval of any Extension Term.

1.3 A Party may terminate for convenience this Agreement, in whole or in part, by giving the other Party no less than ninety (90) days’ prior written notice.

1.4 The City, at its option and upon ninety (90) days’ prior written notice, may terminate this Agreement, if the Foundation fails to reimburse the City for its annual Program costs, as referred to in Sections 2.1(B) and 2.2(D), for a period of two consecutive fiscal years. If the Foundation fails to fully reimburse the City for costs in any fiscal year, the amount by which the Foundation fails to fully reimburse the City will be carried forward to the immediately following fiscal year and, for purposes of calculating the amount to be reimbursed in the following fiscal year, that carry-forward amount will be aggregated with the amount to be reimbursed by the Foundation in the following fiscal year. By way of illustration, if at the end of FY 2009-10, the Foundation has reimbursed the City only $90,000 of the $95,941 amount due and owing to the City, then the Foundation will have failed to reimburse the City in the amount of $5,941 [$95,941 - $90,000]. If the City’s program costs for FY 2010-11 remain static at $95,941, then at the end of FY 2010-11, the Foundation will be obligated to reimburse the City in the amount of $101,882 [$95,941 and $5,941]. If the Foundation will have reimbursed the City only $90,000 of the $101,882 amount due and owing to the City, the Foundation then will have failed to reimburse the City in the amount of $11,882 [$101,882 minus $90,000]. In that event, the City at its option may terminate this Agreement, subject to all of its rights and remedies to seek reimbursement of the unpaid amount of $11,882.00 from the Foundation.

1.5 This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code (the “PAMC”). This Agreement will terminate without penalty: (A) at the end of any fiscal year in the event that funds are not appropriated by the City for the Family Resources program for the following fiscal year; or (B) at any time within a fiscal year in the event that funds are appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section 1.5 will take precedence in the event of a conflict with any other covenant, term, condition or provision of this Agreement and the Exhibits. Nothing in this Section 1.5 is intended to affect the Foundation’s rights and remedies as may be available under applicable laws.

SECTION 2. RIGHTS AND OBLIGATIONS OF THE PARTIES
2.1 The rights and obligations of the City include the following:

A. The management of the Program’s office facilities and kiosk equipment resources, located at 4000 Middlefield Road, T-2, Palo Alto, CA 94303 (the “Center”), the Program’s funding and the City’s staff employees, including any and all City-hired contractors, subcontractors, consultants and volunteers. To the extent the Foundation contemplates an expansion of the Program in a manner that could exceed the City’s ability to adequately support the Program, the Parties agree to confer with each other for the purpose of determine the extent to which the City could provide additional support of the Program and the Foundation would duly compensate the City for rendering such additional support. The City will hire, supervise, evaluate and otherwise exercise supervision and control of its employees. The City has the right, but not the obligation, to permit the Foundation to participate in the selection of Family Resources staff;

B. The annual funding of the Program in an amount to be established by the City Council, consisting of the services of one full-time equivalent person who is dedicated to the Program and whose actual cost of service currently is set at ninety-five thousand nine hundred forty-one dollars ($95,941.00) for FY 2009-10, including services relating to the handling of cash and other charitable contributions made to or on behalf of the Foundation and the deposit of checks and other negotiable instruments, made payable to the “Family Resources Trust Fund,” and the processing of credit card transactions, which contributions will be deposited to the interest-bearing account of the City’s “Family Resources Trust Fund”;

C. The selection of one or more individuals to serve as the City’s liaison(s) to the Foundation’s board of directors (the “Board”), including (1) a Council Member, if any, who will serve as the official liaison of the City to the Board, and (2) the City’s Human Services Manager (the “Manager”), whose duties may include providing assistance to the Foundation, including the Board, in selected fundraising activities, as may be directed or approved by the City Manager, or designee;

D. The review of all community-related resources and other activities that the Foundation may propose for inclusion in the Program. All resources and activities of the Foundation will be pre-approved by the Manager, or designee of the City Manager;

E. Develop and provide information on community-wide programs relating to the Program and supervise any Family Resource Ambassadors or other similar community volunteers in connection therewith; and

F. Any other obligation(s) that the City or the Department of Community Services may undertake in accordance with this Agreement, upon reasonable notice to the Foundation; provided, however, any such undertaking will be memorialized, in writing, by an amendment to this Agreement, in order that such undertaking will be binding upon the City.

2.2 The rights and obligations of the Foundation include the following:

A. The supervision and management of its board of directors, officers, employees, volunteers, contractors, subcontractors and consultants, while they, and each of them, are performing obligations on behalf of the Foundation pursuant to this Agreement;
B. The rendering of assistance to the Manager, at the Manager’s request, including voluntary attendance and contribution at staff meetings of the Manager or supervisor or at Council or Council subcommittee meetings;

C. The provision and staffing of programs to educate the public about the Program’s separate programs and community resources, and the mobilization of volunteers for any program that would be made a part of the Program;

D. The contribution of ninety-five thousand nine hundred forty-one dollars ($95,941.00) for FY 2009-10, as referred to in Section 2.1(B), which shall include amounts attributable to benefits provided by the City to the person referred to in Section 2.1(B);

E. The implementation of a fund development strategy, including, but not limited to, solicitation mailings, promotion of fund-raising events, securing of grants, major donor requests, the development of resource information products, and the authorization to the City to deposit and withdraw funds (after April 30 of each year) to and from the City-established account up to and including the level of contribution established for any given fiscal year by the Foundation;

F. The development and implementation of a development plan for fund-raising by the Foundation, including donor acknowledgment and activities consistent with City policies and practices; and

G. The rendering of other services beyond those spelled out in the Plan, as amended from time to time, for the benefit of Palo Alto residents and families who seek the City’s assistance with respect to the Program.

H. The right to communicate to the City for its consideration any proposed plan relating to the expansion of the Program in the event the proposed expansion of the Program could significantly impact the City’s level of support of the Program.

SECTION 3. GENERAL LICENSE TO THE FOUNDATION

3.1 The City hereby grants the Foundation, its directors, officers, employees, contractors, subcontractors and consultants a nonexclusive license to enter upon and use the Center in connection with the Foundation’s exercise of its rights and the execution of its obligations, as may be established by any Program plan, including, but not limited to, organizing small group meetings and large group/community meetings and events at the Center, such as fundraising events and programs, and using the office space at the Center, made available to the Foundation in connection with this Agreement. Any use of the Center will be approved by the Manager or supervisor in regards to the Program scheduling, space availability, and the functionality of shared Program spaces for staff use. The City may in its sole discretion provide the Foundation’s employees with security card access to the Center; any additional cards will be approved by the Manager or supervisor, upon request, in writing.

SECTION 4. INSURANCE
4.1 As of the Effective Date, the Foundation, at its sole cost and expense, will obtain and maintain the following insurance coverage, and as may be further described in Exhibit “A,” acceptable to the City’s insurance risk manager (the “Risk Manager”) in full force and effect during the Term, insuring not only the Foundation but, with the exception of worker’s compensation and employer’s liability insurance, naming the City as an additional insured, concerning the Foundation’ participation under this Agreement.

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<td>C. COMPREHENSIVE GENERAL LIABILITY</td>
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<td>including products, Property Damage $1,000,000 each occurrence &amp; completed operations,</td>
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<td>Personal Injury $1,000,000 each occurrence, broad form contractual, and personal injury.</td>
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4.2 Any deductibles or self-insured retentions must be declared to and approved by the Risk Manager. At the City’s option, the insurer will reduce or eliminate such deductibles or self-insured retentions as respects the City. The Foundation’s insurance will be carried in full force and effect on or before the Effective Date. Every insurance policy required by this Agreement will contain the following or substantially similar clauses:

A. "This insurance shall not be canceled, limited in scope of coverage or nonrenewed until after thirty (30) days written notice has been given to: City of Palo Alto/Human Services Division Manager, P.O. Box 10250, Palo Alto, CA 94303".

B. "All rights of subrogation are hereby waived against the City of Palo Alto and the members of the City Council and elective or appointive officers or employees, when acting within the scope of their employment or appointment."

C. "The City of Palo Alto is added as an additional insured as respects to the operations of the named insured or from the Family Resources Foundation."

D. "It is agreed that any insurance maintained by the City of Palo Alto will apply in
4.3 Evidence of Insurance Coverage and/or Changes will be, as follows:

A. Certificate of Insurance. The Foundation agrees to deposit with the Program manager before the effective date of this Agreement, certificates of insurance necessary to satisfy the City that the insurance provisions of this Agreement have been complied with, and to ensure that such insurance is kept in effect, with the certificates on deposit with the City, during the Term. Should the Foundation fail to provide evidence of such required coverage at least three (3) days prior to the expiration of any existing insurance coverage, the City may purchase such insurance, on behalf of and at the sole expense of the Foundation, to provide an additional six-month period of coverage.

B. Review of Coverage. The City will retain the right, at any time, to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the Risk Manager, the insurance provisions in this Agreement do not provide adequate protection for the City and for members of the public using the Center, the City Manager, or designee, may require an amount to provide adequate protection as determined by the Risk Manager. The City's requirements shall be reasonable and shall be designed to assure protection from and against the kind and extent of risk which exists at the time a change in insurance is required.

C. Changes in Coverage. The City Manager, or designee, will notify the Foundation, in writing, of any change(s) in the insurance requirements; if the Foundation does not deposit copies of acceptable insurance policies (or certificates) with the City, to the attention of the Risk Manager, incorporating such changes within sixty (60) days of receipt of such notice, or in the event the Foundation fails to ensure that the required insurance coverage is maintained in effect, the City may terminate this Agreement in accordance with Section 1.

D. No Limit of Liability. The procuring of such required policy or policies of insurance will not be construed to limit the Foundation’s liability hereunder or to fulfill the indemnification provision and requirements of this Agreement. Notwithstanding the policy or policies of insurance, the Foundation will be obligated for the full and total amount of any damage, injury, or loss caused by or connected with this Agreement, with the Foundation’s use of the Center.

E. Acceptability of Insurers. Insurance shall be placed with insurers with a current A.M. Best’s rating of no less than A-:VII.

SECTION 5. INDEMNITY

5.1 Except as provided under Section 5.2, the Foundation hereby waive all claims, liability and recourse against the City, including the right of contribution for loss or damage of or to persons or property arising from, growing out of, or in any way connected with or related to this Agreement. The Foundation will protect, indemnify, hold harmless and defend the City, its officials,
officers, employees, representatives and agents, from and against any and all claims, losses, liability, demands, damages, costs, expenses or attorneys' fees, caused by or arising out of the Foundation’s negligent acts or omissions, or willful misconduct, in the performance or nonperformance of its obligations under the covenants, terms, conditions and provisions of this Agreement. In the event the City is named as co-defendant, the Foundation will notify, in writing, the City, to the attention of the City’s City Attorney (the “City Attorney”), of such fact and it will represent the City in such legal action, unless the City undertakes to represent itself as co-defendant in such legal action, in which event the Foundation will pay to the City its reasonable litigation costs and expenses, including reasonable attorneys' fees.

5.2 The City will protect, indemnify, hold harmless and defend the Foundation, its directors, officers, employees and agents, against any and all claims, losses, liability, demands, damages, costs, expenses or attorneys' fees arising out of the City's negligent performance or nonperformance of its obligations under the terms of this Agreement.

SECTION 6. WAIVER

6.1 The waiver by either Party of any breach or violation of any covenant, term, or condition of this Agreement or of the provisions of the PAMC or other City law, rule or regulation, will not be deemed to be a waiver of any such covenant, term, condition, or provision or of any subsequent breach or violation of the same or any other covenant, term, condition, or provision. The subsequent acceptance by either Party of any consideration which may become due or payable hereunder will not be deemed to be a waiver of any preceding breach or violation by the other Party.

SECTION 7. NO PROPERTY RIGHTS

7.1 The Parties agree that this Agreement will not confer any property right upon the Foundation, its directors, officers, employees, volunteers, contractors, subcontractors or consultants. Any work performed for the benefit of the Program or the Center and any improvements placed or constructed at the Center will conform to the City’s standards and approved by the City Manager, or designee, and will, upon acceptance, become the property of the City.

SECTION 8. ASSIGNMENT

8.1 Neither Party may assign, transfer, or convey this Agreement or any interest that it may have in this Agreement without the other Party’s express consent or approval. Any attempted assignment without the required consent or approval will be void and will confer no right, title, or interest in or to this Agreement, or part thereof. In the event of an unauthorized assignment, at the option of the Party not making the assignment, this Agreement may be terminated upon reasonable notice to the Party making the assignment.

SECTION 9. INDEPENDENT CONTRACTOR

9.1 In the exercise of its rights and responsibilities under this Agreement, the Foundation acts at all times as an independent contractor and not as an employee of the City. Nothing in this Agreement will be construed to establish a partnership, joint venture, group, pool, syndicate or
agency between the Parties. No provision contained herein will be construed as authorizing or empowering either Party to assume or create any obligation or responsibility whatsoever, express or implied, on behalf, or in the name of, the other Party in any manner, or to make any representation, warranty or commitment on behalf of the other Party. In no event will either Party be liable for (a) any loss incurred by the other Party in the course of its performance hereunder, or (b) any debts, obligations or liabilities of the other Party, whether due or to become due.

SECTION 10. NONDISCRIMINATION

10.1 The PAMC prohibits discrimination in the employment of any individual under this Agreement because of race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of that person. The Foundation acknowledges that it has read and understands the provisions of PAMC Chapter 2.30 relating to nondiscrimination in employment and the penalties for violations thereof, and it agrees to comply with all requirements of PAMC Chapter 2.30 pertaining to nondiscrimination in employment, including the completion, execution and submission to the City of the Certification of Nondiscrimination, as described in Exhibit “B.”

SECTION 11. NOTICES

11.1 Any notice, request, consent or approval by a Party that is required to be furnished by this Agreement, will be given, in writing, and delivered by personal service, the United States Postal Service, mailed, first class, postage prepaid, or by facsimile transmission, to the following:

To CITY:                              To FOUNDATION:
City Clerk                           President
City of Palo Alto                     Family Resources Foundation
P.O. Box 10250                        4000 Middlefield Road, T-2
Palo Alto, CA 94303                   Palo Alto, CA 94303

with a copy to:
Manager, Human Services Division
City of Palo Alto
P.O. Box 10250
Palo Alto, CA 94303

SECTION 12. MISCELLANEOUS

12.1 This Agreement will be governed by and construed in accordance with the laws of the State of California and the Charter of the City of Palo Alto and the Palo Alto Municipal Code. The Parties will comply with all applicable federal, state and local laws in the exercise of their rights and the performance of their obligations under this Agreement.

12.2 All covenants, terms, conditions, and provisions of this Agreement, whether
covenants or conditions, will be deemed to be both covenants and conditions.

12.3 This Agreement represents the entire agreement between the Parties and supersedes all prior negotiations, representations and contracts, written or oral. This Agreement may be amended by an instrument, in writing, signed by the Parties. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one and the same instrument.

12.4 All exhibits referred to in this Agreement are by such references incorporated in this Agreement and made a part hereof. The following exhibits are made a part of this Agreement:

   Exhibit “A” - Insurance Requirements
   Exhibit “B” – Certification of Nondiscrimination.

12.5 At the request of the City, the Foundation will furnish to the City Attorney for the City’s review and approval copies of its articles of organization, bylaws, operating agreement, and/or other information relating to its organization status.

12.6 The Parties agree that the normal rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be employed in the interpretation of this Agreement, the Exhibits, or any amendment thereto.

12.7 In the event that an action is brought, the Parties agree that trial of such action will be vested exclusively in the state courts of California or in the United States District Court for the Northern District of California in the County of Santa Clara, State of California.

12.8 The prevailing Party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys’ fees expended in connection with that action.

12.9 If a court of competent jurisdiction finds or rules that any provision of this Agreement, the Exhibits, or any amendment thereto, is void or unenforceable, the unaffected provisions of this Agreement, the Exhibits, or any amendment thereto, will remain in full force and effect.

12.10 The term “day” means a calendar day, unless a “business day” is specified; for the purposes of this Agreement, “business day” excludes any “Regular Holiday” or “Other Special Day” referred to in PAMC Section 2.08.100 or any Friday that is considered a ‘9/80’ day, when the City does not require employees, electing to work nine (9) business days in a ten-business days biweekly period, to work on such days.

IN WITNESS WHEREOF, the Parties by their duly authorized representatives have executed this Agreement on the Effective Date.

APPROVED AS TO FORM: CITY OF PALO ALTO
Senior Asst. City Attorney          City Manager

APPROVED:                        FAMILY RESOURCES FOUNDATION
                                    IN PALO ALTO

Director of Administrative Services  President, Board of Director

Director of Community Services
CERTIFICATE OF ACKNOWLEDGMENT  
(Civil Code § 1189)

STATE OF CALIFORNIA     )
COUNTY OF _________________ )

On ________________, before me, ___________________, a notary public in and for said County, personally appeared _______________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

________________________
EXHIBIT “A”

Insurance Requirements

[Not required, as this is covered by Section 4 of Agreement]
EXHIBIT “B”
Certification of Nondiscrimination

As suppliers of goods or services to the City of Palo Alto, the firm and individuals listed below certify that they do not discriminate in employment of any person because of race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person; that they are in compliance with all Federal, State and local directives and executive orders regarding nondiscrimination in employment.

1. If Proposer is INDIVIDUAL, sign here:
   
   Date: ______________
   
   Proposer’s Signature
   
   Proposer’s typed name and title

2. If Proposer is PARTNERSHIP or JOINT VENTURE, at least (2) Partners or each of the Joint Venturers shall sign here:

   Date: ______________
   
   Partnership or Joint Venture Name (type or print)

3. If Proposer is a CORPORATION or OTHER ENTITY, the duly authorized officer(s) shall sign as follows:

   The undersigned certify that they are respectively:

   Titles: ___________________________________________________________________

   Of the corporation or other entity named below; that they are designated to sign the Agreement for Mutual Cooperation and Support, with corporate seal, if applicable, notarized as to its authenticity or Secretary’s certificate of authorization) for and on behalf of the below named CORPORATION or OTHER ENTITY, and that they are authorized to execute same for and on behalf of named CORPORATION or OTHER ENTITY.

   Corporation or Other Entity Name (type or print)

   By: ___________________________  Date: ______________

   Title: ___________________________

   By: ___________________________  Date: ______________
February 18, 2011

City of Palo Alto
City Council Finance Committee

Dear Council Members Scharff, Schmid, Shepherd and Yeh,

Family Resources was established in 2000 to engage our community and build on existing strengths and services to promote the well-being of our families and their children by providing information on local resources and community building. Family Resources has fulfilled its mission through its signature Ambassador Development Program (nearly 300 graduates are active in the community), comprehensive website, desktop kiosks and a Resource Specialist available by phone or in person, all providing accurate information to link community members with needed services.

As City resources waned, the Family Resources Foundation of Palo Alto was formed in 2006 to augment city funds for this valuable program. Over the course of this time, with the assistance of City staff, the Foundation has provided the City with over $200,000 in support of this program. While we are proud of our efforts and accomplishments, we acknowledge that it has fallen short of the terms of our Public-Private Partnership.

Throughout our brief history, the Foundation has explored a variety of funding options, from collaborations with local businesses and organizations, individual solicitations, foundation and government grants, to producing a “Pocket Guide” of local resources and community events. We were particularly pleased by the response to our 2009 event honoring Supervisor Liz Kniss and presenting a keynote address, “The Cultivating of Compassion” by Dr. James Doty.

City staff and Foundation board members have also advocated over the years that the City dedicate more of its own resources to the program, emphasizing the highly effective return on a modest investment. By providing easy access to accurate service information, the City helps residents and local employees obtain the services they need without having to provide the actual services.
As valuable as we believe Family Resources is, the Foundation board of directors has come to the conclusion that raising money solely for Family Resources does not have enough appeal to attract the needed contributions. We are not asking for “just one more year” to build adequate capacity to meet our funding goal. Instead, the Foundation has voted to terminate our public/private partnership with the City, effective at the end of the 2010-2011 fiscal year. Between now and then, we will continue to raise as much as we can toward preserving the program.

The Foundation continues to believe that Family Resources provides immense value to the community and strongly encourages the City to maintain the program, despite the absence of private funding.

As for the future of the Family Resources Foundation of Palo Alto, there are several options to consider, depending on the Finance Committee’s and City Council’s wishes. Foundation board members have discussed a variety of options with city staff, non-profit leaders and community members, among them (a) dissolving the Foundation, (b) shifting the mission to provide support for identified needs through the City’s Office of Human Services, (c) serving in a coordinating role for nonprofits to address vital community needs, similar to the Project Safety Net model, (d) designing custom Ambassador Development-like trainings for local businesses and organizations on a fee-for-service basis.

The Foundation is confident that, with further exploration, there are a number of community needs and opportunities that a reconstituted organization could address. In order to delve more deeply into these exciting opportunities, however, the Foundation would need assurance that the unmet funding shortfall would be forgiven.

We understand that this is a disappointing outcome and appreciate your understanding. The Foundation has worked hard to fulfill its agreement with the City. In the process, we have learned a lot about community services and have developed several ideas for programs that could engender more robust philanthropic donations. We hope to explore these ideas and collaborate with City staff in the future, continuing to provide valuable support for current and future community needs in the area of Human Services.

Sincerely,

Barbara Spreng, President
Family Resources Foundation