Summary Title: Project Safety Net

Title: Status of Project Safety Net's Transition to a Nonprofit Entity

From: City Manager

Lead Department: Community Services

Recommendation
No City Council action is required. This is an update on the status of transitioning Project Safety Net to an independent nonprofit entity.

Background
Project Safety Net (PSN) is a collaborative community network formed in response to the tragic teen suicides the Palo Alto community experienced between May 2009 and January 2010. PSN's mission is to mobilize community support and resources in Palo Alto for youth suicide prevention and mental wellness. PSN is a coalition working on community education, outreach, and training; access to quality youth mental health services; and policy advocacy. PSN’s vision is “young people are empowered, in partnership with the whole community, to advocate for themselves and their peers. Youth suicide is ended. Stigma is non-existent, and high-quality mental health services are culturally relevant, accessible, and well-utilized. A community where youth and young adults feel safe, supported, and accepted.” The PSN Collaborative includes mental health organizations, nonprofits, youth organizations, faith-based organizations, individuals, PAUSD and City of Palo Alto staff. PSN was founded on 22 specific strategies that fall into three categories: Education, Prevention, and Intervention. The details of the 22 strategies and history of PSN can be accessed at the following website: www.PSNPaloAlto.org

In FY2013, City Council allocated $2M from the Stanford University Medical Center Development Agreement Health and Safety Funds to support PSN operations (Staff report #3651). While a majority of these funds were invested to sustain the railway track monitoring launched by community volunteers, these funds were also used to
implement an Executive Director position and new Leadership Team, develop a Strategic Plan, and create a new subcommittee structure and a streamlined set of goals. In FY2015 and in response to a second youth suicide contagion, the Policy and Services Committee supported the transition to a Collective Impact model of collaboration to ensure the ongoing success of the Project Safety Net Collaborative (Staff Report #5796). This transition to a more formal structure included: funding a benefited, full-time Executive Director; the completion of a PSN Collective Impact roadmap for youth well-being and prevention of teen suicide; the establishment of an Executive Board made up of key institutional leaders; increased resources for data collection, capacity building and facilitation; and the elevation of youth voices within the PSN Collaborative leadership.

The City’s FY 17 operating budget included ongoing funding to PSN from the General Fund to support continued operations after the initial Stanford Development Funds were exhausted. This funding was used to continue supporting an Executive Director, a part-time Administrative Associate, and other activities conducted by the City (publishing, outreach, education, trainings, etc.) associated with the collaborative.

**Discussion**

Project Safety Net’s transition to a nonprofit is a culmination of collaborative strategic planning that started in 2009 involving community members and 26 Project Safety Net partner organizations. In 2015, Project Safety Net leadership decided to transition into an independent nonprofit entity. Some of the benefits of forming the coalition as a 501(c)3 nonprofit, include:

- Additional and diverse funding opportunities.
- Broaden reach and partnerships outside Palo Alto, especially in Peninsula region.
- Elevation of youth mental health and suicide prevention advocacy/policy efforts.

Included in the City’s FY 2020 operating budget was $25,000 to evaluate and recommend a long-term fiscal sustainability plan for PSN. Although PSN will be a separate entity as of the beginning of fiscal year 2021 (July 1, 2020) the City’s financial support will continue on an ongoing basis at a level of $100,000 beginning in FY 2021. Project Safety Net will also retain office space at Cubberley Community Center through a new month-to-month, low cost lease agreement. Transitioning to a nonprofit model will provide PSN with a sustainable business model that can continue to operate while reducing reliance on the City.
Project Safety Net has been working with a Pro Bono legal expert to become a registered nonprofit organization and obtain 501(c)3 tax status. There are several steps required in the process, including obtaining status as an independent corporation, recruiting Board members, Board development and governance, resource development and fundraising, and filing an application for 501(c)3 tax status.

Progress made to date
“Project Safety Net, Inc.” was officially registered as an Incorporated Nonprofit on April 23, 2020 by the California Secretary of State. Board Member recruitment is an ongoing effort to ensure that the Board is well-balanced, representative of the many sectors involved in youth mental health promotion and suicide prevention, and strategically positioned to be a successful and sustainable nonprofit organization. Community members who have committed to serving on the Board of Project Safety Net, Inc. include the following:

- Rev. Dr. Eileen Altman, First Congregational Church of Palo Alto
- Vinita Bhalla, Union Bank – Downtown Palo Alto Branch
- Dennis Burns, Retired City of Palo Alto Chief of Police
- Robert George, Small Business and Transportation Leader
- Dr. Shashank Joshi, Stanford University Behavioral Health
- Dr. Ivonne M. Klatt, Kaiser Permanente
- Noor Navaid, PAUSD Alum and Transitional Age Youth
- Kristen O’Kane, City of Palo Alto – Community Services Department (ex-officio member)

The Board is meeting regularly to discuss and deliberate on Board Officer positions, finalizing by-laws, developing a year-one operating budget, fundraising, and developing financial systems.

Timeline
Staff will bring a contract agreement with Project Safety Net, Inc. to City Council to allow payment of the $100,000 included in the FY 2021 Proposed Operating Budget after PSN has obtained a Federal Tax Identification Number and established appropriate financial oversight systems. This is expected to occur in first quarter of FY 2021.

Resource Impact
No budget adjustment is recommended for FY 2020 at this time. The FY 2021 Proposed Budget, which is still subject to City Council approval, includes sufficient funding for $100,000 in financial support in FY 2021. In addition, remaining donation funding for
PSN while it was a City program, is estimated to be approximately $20,000 and the unspent balance will be transmitted to Project Safety Net, Inc. Funding for financial support to PSN in subsequent years will be subject to the appropriation of funds through the annual budget process.

**Stakeholder Engagement**
Project Safety Net continues to play an active role in youth mental health promotion and suicide prevention by providing education and training and providing broad support as a community collaborator and convener. PSN continues to host monthly community meetings that are focused on a current topic. The most recent community meeting was held on April 29, 2020 and was titled, “The New Reality of Youth Well-Being Promotion & Suicide Prevention: Strengthening Collaborations in a COVID-19 Pandemic Environment.” The virtual meeting was attended by 66 individuals with several participants joining from other states throughout the country, which included government education and mental health agencies.

**Environmental Review**
This information is not considered a Project under the California Environmental Quality Act (CEQA).