

COMMUNITY BENEFIT AGREEMENT 2018
MEMORANDUM OF UNDERSTANDING
(CCSF Business & Tax Regulations Code §906.3(c)(5))
Between

CITY AND COUNTY OF SAN FRANCISCO CITY ADMINISTRATOR

And

LEVER INC.

This **COMMUNITY BENEFIT AGREEMENT 2018 MEMORANDUM OF UNDERSTANDING** (this “**Community Benefit Agreement**”) is made as of _____ in the City and County of San Francisco, State of California, by and between **Lever Inc.** and the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (“**City**”), acting by and through the City Administrator.

WITNESSETH:

WHEREAS, San Francisco Business and Tax Regulations Code Article 12-A (“**Payroll Expense Tax Ordinance**”) establishes a payroll expense tax (“**Payroll Expense Tax**”) within the City and County of San Francisco; and,

WHEREAS, Section 906.3 “Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion” (“**Section 906.3**”) of the Payroll Expense Tax Ordinance provides an exclusion from the Payroll Expense Tax for certain persons and businesses within the Central Market Street and Tenderloin Area (as defined in Appendix A attached hereto), for certain periods of time; and,

WHEREAS, pursuant to Section 902 of the Payroll Expense Tax Ordinance, a “person” or business is defined for this purpose by San Francisco Business and Tax Regulations Code Article 6, §6.2-15; and,

WHEREAS, in order for a person or business to qualify for the Central Market Street and Tenderloin Area Payroll Expense Tax exclusion, Section 906.3 requires such person or business to file a timely application with the City’s Office of Economic and Workforce Development (“**OEWD**”) on a form that has been approved by OEWD and the City’s Treasurer-Tax Collector; and,

WHEREAS, subsection (c)(5) of Section 906.3 further provides that, as part of the application, any person or business with an annual payroll expense that exceeds one million dollars “shall enter into a binding Community Benefit Agreement with the City Administrator in order to be eligible for the payroll expense tax exclusion under this Section”; and

WHEREAS, Lever Inc. wishes to enter into this Community Benefit Agreement with the City Administrator for 2018 as required by subsection (c)(5) of Section 906.3; and,

WHEREAS, on behalf of the City, the City Administrator wishes to enter into this Community Benefit Agreement with Lever Inc. for 2018 for this purpose; and,

WHEREAS, Lever Inc. and the City Administrator have mutually agreed to the terms of this Community Benefit Agreement that is attached and incorporated herein by reference as Appendix A; and,

WHEREAS, as set forth in this Community Benefit Agreement, Lever Inc. will seek to:

1. Support education, youth and workforce development;
2. Support local residents;
3. Support local businesses;
4. Create meaningful engagement with the community; and

WHEREAS, Lever Inc. will expend good faith efforts to fulfill its goals under this Community Benefit Agreement; and,

WHEREAS, the parties each acknowledge and understand that this Community Benefit Agreement is entered into and binding upon Lever Inc. for calendar year 2018 pursuant to Section 906.3, provided that OEWD (as verified by the Treasurer-Tax Collector) finally determines that Lever Inc. qualifies for the Payroll Expense Tax exclusion; and,

WHEREAS, the parties each acknowledge and understand that, pursuant to subsection (c)(5) of Section 906.3, Lever Inc. may request that the City Administrator enter into other community benefit agreements with Lever Inc. in the future and that the City Administrator may require different or additional provisions in such future agreements:

NOW, THEREFORE, the parties voluntarily enter into and adopt this Community Benefit Agreement as Lever Inc. calendar year 2018 binding Community Benefit Agreement with the City Administrator under subsection (c)(5) of Section 906.3.

IN WITNESS WHEREOF, the parties hereto have caused this Community Benefit Agreement to be duly executed as of the date first set forth above.

CITY ADMINISTRATOR

LEVER INC.

By: _____
NAOMI M. KELLY
CITY ADMINISTRATOR

By: _____
TIMADGE BERKHADLEY
REP OF LEVER

Lever is committed to creating and fostering meaningful engagement with the Tenderloin community. Lever firmly believes in the importance of employees having a direct, sustained involvement in the Tenderloin community. In 2018, Lever will initiate partnerships with existing and new CBA companies by hosting a forum addressing important issues in the Tenderloin, (“the collective”). We will gather concerns and issues brought up by citizens of the community during the CAC meetings and use these as topics of discussion to address by the collective. The collective will brainstorm possible solutions such as fundraising, volunteer activities, media reach out etc. By forming this collective our goal is to build a stronger partnership between the CBA companies and the broader Tenderloin community.

KEY FEATURE #1: Support education, youth and workforce development

- Provide financial support in the amount of \$2,500 each to Bessie Carmichael Elementary School, Redding Elementary, and Tenderloin Community School for a total donation of **\$7,500** in the Central Market Street and Tenderloin Area to support education or youth development.
- Advertise openings for entry-level jobs at Lever via the City’s First Source Hiring Program.
- Continue to partner with Year Up Professional Resources (YuPro). We have helped advance the careers of talented young adults who we trained and are ready to be effective at Lever and other organizations.
- Donate used equipment that are in working condition, with an aggregate value of approximately \$10,000 and school supplies to schools or nonprofit organizations serving economically disadvantaged residents in the Central Market Street and Tenderloin Area.
- Partner with Redding Elementary in the Tenderloin area to tutor students on math and/or reading.
- With the involvement of the CBA companies, we will invite a PTA spokesperson from each of the 3 schools: Bessie Carmichael Elementary School, Redding Elementary, and Tenderloin Community School to discuss their current needs and identify areas we can make tangible changes. [These changes will be documented in a more formalized plan by end of 2018 and executed beginning of 2019.](#)

KEY FEATURE #2: Support local residents

- Partner with Project Open Hand to help feed residents of the Central Market Street and Tenderloin Area that are currently suffering from various medical ailments. [\(see attached signed agreement\)](#)
- Participate in a food/clothing drive to benefit a local food bank and residents of the Central Market Street and Tenderloin Area, value of the donation to be approximately \$5,000.
- [Re-plate to donate our surplus food to organizations such as Cityteam, DISH, and the San Francisco LGBT Community Center at a minimum of a weekly basis.](#)
- Providing education to our employees on the issues of displacement in the Tenderloin community by hosting workshops, inviting guest speakers to discuss the history of the neighborhood/local displacement issues and continue to host viewings of “Love me Tenderloin” [on a bi-annual basis](#)

KEY FEATURE #3: Support local businesses

- Keeping dollars in the local community is important to Lever. Lever will commit spending \$15,000 in purchasing [food services from small business, local caterers, suppliers, and restaurants in the Tenderloin community for company sponsored events](#)
- Lever will continue to utilize Central Market Street and Tenderloin Area bars and restaurants for Lever events.

KEY FEATURE #4: Create meaningful engagement with the community

- Lever employees will volunteer for at least 300 hours, but with a goal of 500 hours in total during 2018
- Partner with a local organization to assist in various community engagement activities and events. Lever expects to assist in at least **10** such activities and events

KEY FEATURE #5: Community Liaison

Lever has appointed and will maintain a committee of employees who will meet periodically to evaluate Lever's progress with respect to the goals and objectives set forth in the Community Benefit Agreement. Members of the community can contact Lever's community liaison, Timadge Berkhadley, at cba@lever.co, with questions or concerns about Lever's goals and objectives set forth in this Community Benefit Agreement.

Lever's community liaison will attend or send a representative to community tech talks and community information sessions.

Lever's community liaison or a company representative will attend Citizen's Advisory Committee meetings. If a community liaison or a company representative cannot attend a meeting of the Citizen's Advisory Committee, the community liaison should notify the Committee Staff from the Office of the City Administrator no later than 72 hours in advance of the meeting about the absence. If Lever is not represented by a community liaison or a company representative at four meetings within a 12-month period, this Key Feature #5 shall not be deemed successfully completed.

Evaluation and Reporting

Lever will report progress on the Community Benefit Agreement to the City Administrator at least once a month, in a manner mutually agreed to between the City Administrator and Lever. Progress reports on key features shall include information sufficient to determine progress and completion, such as Lever's records, e-mails, public communications, invoices, grant agreements, or verification provided by participating community organizations. These documents shall become part of the public record in the Office of the City Administrator, and summaries will be shared with the Citizen's Advisory Committee, provided that such documents and summaries do not contain any personal information of Lever employees or other confidential information. Further:

- By June 1, 2018, Lever will provide the City Administrator with a delivery schedule for meeting the goals set forth in this Community Benefit Agreement, with completion dates to the extent practicable. Lever may, from time to time, request permission to adjust the delivery schedule, and the City Administrator shall not unreasonably deny such permission, so long as the items on the schedule are completed within calendar year 2018.
- The City Administrator will deem this Community Benefit Agreement successful if the items on Lever's delivery schedule are substantially completed and/or a good faith effort was made to achieve each item.

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