

**PROPOSED AGREEMENT TO BE HEARD ON NOVEMBER 6, 2014**

**COMMUNITY BENEFIT AGREEMENT 2015  
MEMORANDUM OF UNDERSTANDING  
(CCSF Business & Tax Regulations Code §906.3(c)(5))**

between

**CITY AND COUNTY OF SAN FRANCISCO CITY ADMINISTRATOR**

and

**ZOOSK, INC.**

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This **COMMUNITY BENEFIT AGREEMENT 2015 MEMORANDUM OF UNDERSTANDING** (this “**Community Benefit Agreement**”) is made as of [REDACTED], 2015 in the City and County of San Francisco, State of California, by and between **ZOOSK, INC.** (“**Zoosk**”) 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**, Zoosk previously submitted an application for Central Market Street and Tenderloin Area Payroll Expense Tax exclusion to OEWD utilizing an application form approved by OEWD and the City’s Treasurer-Tax Collector and entered into a binding community benefit agreement in 2014 with the City Administrator; and,

**WHEREAS**, Zoosk wishes to enter into this Community Benefit Agreement with the City Administrator for 2015 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 Zoosk for 2015 for this purpose; and,

**WHEREAS**, Zoosk 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, Zoosk will seek to:

1. Support education and youth and workforce development;
2. Support local residents with companion animals, clothing needs and food shortages;
3. Improve cleanliness and promote beautification; and
4. Support local businesses;
5. Support neighborhood integration and community engagement; and,

**WHEREAS**, Zoosk 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 Zoosk for calendar year 2015 pursuant to Section 906.3, provided that OEWD (as verified by the Treasurer-Tax Collector) finally determines that Zoosk 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, Zoosk may request that the City Administrator enter into other community benefit agreements with Zoosk 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 Zoosk's calendar year 2015 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**

**ZOOSK, INC.**

By: \_\_\_\_\_  
**NAOMI KELLY**  
**ACTING CITY ADMINISTRATOR**

By: \_\_\_\_\_  
**KELLY STECKELBERG**  
**CHIEF FINANCIAL OFFICER**

-- Appendix A --

**ZOOSK COMMUNITY BENEFIT AGREEMENT 2015**

Zoosk, Inc. (“**Zoosk**”) will focus its efforts in improving the Central Market Street and Tenderloin Area (as defined below) as set forth in this Community Benefit Agreement (this “**Community Benefit Agreement**”). Zoosk believes that the highest priorities for the community are: (a) supporting the economically disadvantaged residents of the Central Market Street and Tenderloin Area, (b) supporting education, youth development and workforce development, (c) improving cleanliness and promote beautification, (d) supporting local businesses and (e) supporting neighborhood integration and community engagement. As defined in Section 906.3(b)(1) of the San Francisco Business Tax & Regulations Code, the “Central Market Street and Tenderloin Area” means: the area located in downtown San Francisco, generally including: parcels fronting the south side of Market Street from Eleventh Street to Sixth Street; a portion of parcels fronting the south side of Market Street from Sixth Street to Fifth Street (odd numbered addresses from 999 to 933 Market Street); parcels fronting the north side of Market Street from Van Ness Avenue to Eighth Street; 875 Stevenson Street; and parcels in the area bordered by: Ellis Street from Polk Street to Mason Street (south side only); Mason Street, from Ellis Street to Market Street (west side only); Market Street, from Mason Street to Charles J. Brenham Place (north side only); Charles J. Brenham Place, from Market Street to McAllister Street (east side only); McAllister Street, from Charles J. Brenham Place to Larkin Street (north side only); Larkin Street, from McAllister Street to Eddy Street (east side only); Eddy Street, from Larkin Street to Polk Street (north side only); and Polk Street from Eddy Street to Ellis Street (east side only).

Zoosk has in the past partnered with nonprofit organizations that serve the Central Market Street and Tenderloin Area. These groups and others may benefit in 2015 through the commitments Zoosk is making in this Community Benefit Agreement.

In creating this Community Benefit Agreement with the City and County of San Francisco, an agreement included in the application process for the payroll expense tax exclusion in the Central Market Street and Tenderloin Area, Zoosk would like to emphasize that its intention is to grow the Community Benefit Agreement each year that it takes advantage of the payroll tax exclusion. Therefore, Zoosk created this Community Benefit Agreement to be scalable, and as it grows, will not exhaust Zoosk’s resources so that Zoosk can continue to deliver an increasingly robust community benefit agreement.

Zoosk believes it can fulfill its commitment to the community and honor this Community Benefit Agreement in the following ways:

Zoosk is committed to creating meaningful engagement with the community. Zoosk believes it is important for employees to have direct and sustained involvement in the community. Zoosk employees will volunteer for at least 450 hours in total during 2015. Zoosk will compensate employees for participating in volunteer activities in the Central Market Street and Tenderloin Area for up to 4 hours per quarter as if they were normal work hours.

Zoosk has appointed and will maintain a committee of employees who will meet periodically to evaluate Zoosk's progress with respect to the goals and objectives set forth in this Community Benefit Agreement. Members of the community can contact Zoosk's community liaison, Adam McBain, at cba@zoosk.com with questions or concerns about Zoosk's goals and objectives set forth in this Community Benefit Agreement. In addition, Adam will attend Citizen's Advisory Committee meetings.

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

Zoosk will do the following:

- Provide financial support in the amount of \$12,000 to a nonprofit organization in the Central Market Street and Tenderloin Area that supports education or youth development or that promotes safety and cleanliness.
- Partner with a local school or organization to assist in various community engagement activities and events.
- Help local youth acquire skills that are required to enter the workforce.  
Zoosk will:
  - Offer paid summer internships at Zoosk to three residents of the Central Market Street and Tenderloin Area. The interns will be compensated \$18 per hour. The internships will be advertised via the City's First Source Hiring Program and through organizations that work with economically disadvantaged youth.
  - Host four job readiness workshops with local youth from the Vietnamese Youth Development Center. These sessions will include a question and answer session led by a Zoosk employee to discuss issues such as education, employment skills and career development. These sessions will be held at Zoosk and include a tour of Zoosk's office.
- Advertise openings for entry-level jobs at Zoosk via the City's First Source Hiring Program.

- Donate used desktops and/or laptops and other 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.
- Participate in a holiday gift drive to benefit the children or youth in the Central Market Street and Tenderloin Area.
- Provide backpacks and school supplies to students at the San Francisco City Academy.

**KEY FEATURE #2: Support local residents with companion animals, clothing needs and food shortages**

Zoosk will do the following:

- Volunteer with an organization that provides services to companion animals of low-income residents in San Francisco, including those in the Central Market Street and Tenderloin Area. Zoosk employees will volunteer 40 hours to wash companion animals of residents in the Central Market Street and Tenderloin Area.
- Volunteer with an organization in the Central Market Street and Tenderloin Area that serves meals to people in need.
- Participate in a food drive to benefit a local food bank.

**KEY FEATURE #3: Improve cleanliness and promote beautification**

Partner with companies in the Central Market Street and Tenderloin Area to participate in street cleaning or city street improvement projects.

**KEY FEATURE #4: Support local businesses**

Zoosk will utilize Central Market Street and Tenderloin Area caterers, bars and restaurants for a minimum of 25% of Zoosk's events.

**KEY FEATURE #5: Support neighborhood integration and community engagement**

- Zoosk will support activities that promote neighborhood integration in the Central Market Street and Tenderloin Area. Zoosk will incorporate one neighborhood integration activity, such as a tour of the neighborhood hosted by a local organization, as a part of the new hire on-boarding process.

## **Evaluation and Reporting**

Zoosk will report progress on this Community Benefit Agreement to the City Administrator at least once a month, in a manner mutually agreed to between the City Administrator and Zoosk. Progress reports on key features shall include information sufficient to determine progress and completion, such as Zoosk's records, e-mails, public communications, invoices, grant agreements, or verification provided by participating community organizations. Documents and reports submitted by Zoosk to the City Administrator's Office shall not be disclosed to third parties without Zoosk's prior written consent. Summaries of the progress reports may be shared with the Citizen's Advisory Committee, provided that they do not contain any personal information of Zoosk employees or other confidential information. Further:

- By March 1, 2015, Zoosk 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. Such delivery schedule may be adjusted from time to time in Zoosk's sole discretion.
- The City Administrator will deem this Community Benefit Agreement successful if the items on Zoosk's delivery schedule are substantially completed and/or a good faith effort was made to achieve each item.

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