

COMMUNITY BENEFIT AGREEMENT 2019
(CCSF Business & Tax Regulations Code §906.3(c)(5))

between

CITY AND COUNTY OF SAN FRANCISCO,

And

LEVER INC.

This **COMMUNITY BENEFIT AGREEMENT 2019** (this "**Community Benefit Agreement**") is made as of January 1, 2019 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 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 defined persons within the Central Market Street and Tenderloin Area, for certain periods of time; and,

WHEREAS, Pursuant to Payroll Expense Tax Ordinance Section 902, "person" is defined to include business entities as set forth in San Francisco Business and Tax Regulations Code Article 6, §6.2-15; and,

WHEREAS, In order for a person to qualify for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, Section 906.3 requires, among other things, that the person timely file an 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, Section 906.3(c)(5) further provides that, as part of the application, a person with an annual payroll expense that exceeds one million dollars as defined, "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 submitted an initial application for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion to OEWD utilizing the application form approved by OEWD and must enter into a binding Community Benefit Agreement with the City Administrator to be granted its payroll tax exclusion; and,

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

WHEREAS, Lever and the City Administrator have mutually agreed to the terms of this Community Benefit Agreement as set forth herein and in the attached Appendix A which is incorporated herein by reference; and,

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

WHEREAS, The Parties each acknowledge and understand that this Community Benefit Agreement is entered into and is binding upon Lever from January 1, 2019 until June 30, 2019, to reflect the fact that Lever moved out of the Central Market Street and Tenderloin Area in July 2018, provided that OEWD (as verified by the Treasurer-Tax Collector) finally determines that Lever is eligible for the exclusion; and,

WHEREAS, The Parties each acknowledge and understand that, pursuant to Section 906.3(c)(5), Lever may request that the City Administrator enter into other Community Benefit Agreements with Lever in future years and that the City Administrator may require different or additional provisions in such future Agreements;

NOW, THEREFORE, The Parties voluntarily enter into this binding Community Benefit Agreement under San Francisco Business and Tax Regulations Code §906.3(c)(5).


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IN WITNESS WHEREOF, The parties hereto have caused this Community Benefit Agreement to be duly executed as of the date first specified herein.

CITY

LEVER INC.

By: 
NAOMI M. KELLY
CITY ADMINISTRATOR

By: 
MIKE BAILEN
VICE PRESIDENT OF PEOPLE
LEVER INC.

Approved as to form:

Manu Pradhan
Deputy City Attorney

-- Appendix A --

LEVER INC. COMMUNITY BENEFIT AGREEMENT 2019

Lever will focus its efforts on providing, as set forth herein, those community benefits that are deemed the highest priority by the Central Market Street and Tenderloin Area Citizens Advisory Committee ("CAC"), and the residents, small businesses, and the various community organizations advocating for the Central Market Street and the Tenderloin area neighborhood. As defined in City Business Tax & Regulations Code section 906.3(b)(1): "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)."

Lever will provide the following community benefits:

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

1. Provide financial support in the amount of \$2,500 to Redding Elementary to support social services at the school.
2. Advertise openings for entry-level jobs at Lever via the city's First Source Hiring Program. Lever's recruiting team will review all applicants to assess and provide opportunities to interview for qualified applicants.
3. Donate used equipment (laptops, monitors, office equipment) that are in working condition, with an aggregate value of approximately \$5,000 to schools or nonprofit organizations serving economically disadvantaged residents in the Central Market and Tenderloin area.
4. Partner with a local organization that directly impacts local youth.

KEY FEATURE #2: Support Local Residents

1. Partner with Project Open Hand to help feed residents of Central Market and Tenderloin areas that are suffering from chronic medical issues or limited mobility and accessibility to nutritious meals. Lever is committed to 5 volunteers per month toward supporting POH, totaling around 120 hours in the 2019 calendar year.
2. Partner with RePlate to donate our surplus food to organizations such as Cityteam, DISH, and the San Francisco LGBT Community Center on a weekly basis. Lever is committed to donating all surplus food from daily lunch catering. This will occur on average, 4 out of 5 working days.

KEY FEATURE #3: Support local businesses

1. Lever will commit to spending \$5,000 in food and drink for company events (excluding lunch catering - this would be toward special events like month-end breakfast, Happy Hour) from local suppliers and restaurants.
2. Lever will explicitly encourage Employee Activity budgets to be spent on Tenderloin and SOMA area businesses through our new budget and department spending policies. Lever's goal is to spend \$3,000 in this area.

KEY FEATURE #4: Create Meaningful engagement with the community.

1. Lever employees will volunteer for at least 400 hours, with a goal of 700 hours in total over the course of the 2019 year.
2. Partner with local non-profit organizations and CBA companies to participate in various community engagement activities and events. Lever expects to assist in at least 10 such activities.

ONGOING COMMITMENTS: Beyond the duration of the CBA

Lever plans to continue its commitment to the community, beyond the duration of our 2019 CBA through the following ways:

1. Continuing to advertise openings for entry-level jobs at Lever via the city's First Source Hiring Program. In 2018, we did not receive any qualified applicants but are eager to continue to consider interested and qualified candidates for any entry level openings.
2. Continued partnership with a local non-profit organization that impacts local youth.
3. Continued partnership with Project Open Hand to help feed residents of Central Market and Tenderloin areas.
4. Continued partnership with RePlate to donate our surplus food to organizations.
5. Continued explicit encouragement for departmental Employee Activity budgets to be spent on Tenderloin businesses.
6. School supply drive w/PAE

Evaluation & Reporting

Section 906.3 requires the City Administrator to report on an annual basis on the program's success. In addition, the Citizens Advisory Committee is required to report to the Board of Supervisors on a regular basis. To meet these reporting requirements, it is necessary for Lever to report on its progress in meeting the Community Benefit Agreement's goals and objectives.

- Lever will report on its compliance with this CBA by reporting to the City Administrator on an ongoing basis.
- Completion of at least 80% of items in the CBA will be deemed as successful, provided that a good faith effort was made to achieve all items.

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