

COMMUNITY BENEFIT AGREEMENT 2017
MEMORANDUM OF UNDERSTANDING
(CCSF Business & Tax Regulations Code §906.3(c)(5))

between

CITY AND COUNTY OF SAN FRANCISCO CITY ADMINISTRATOR

and

ZOOSK, INC.

This **COMMUNITY BENEFIT AGREEMENT 2017 MEMORANDUM OF UNDERSTANDING** (this "**Community Benefit Agreement**") is made as of December 21, 2016 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 2016 with the City Administrator; and,

WHEREAS, Zoosk wishes to enter into this Community Benefit Agreement with the City Administrator for 2017 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 2017 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 2017 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 2017 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
CITY ADMINISTRATOR

By: 

CAROL MAHONEY
VICE PRESIDENT OF PEOPLE

-- Appendix A --

ZOOSK COMMUNITY BENEFIT AGREEMENT 2017

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 2017 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 review the Community Benefit Agreement each year that it takes advantage of the payroll tax exclusion and to evaluate how Zoosk can continue to contribute and add value to the community. Therefore, Zoosk created this Community Benefit Agreement to be scalable, but will not exhaust Zoosk's resources so that Zoosk can continue to deliver a robust and meaningful 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 350 hours in total during 2017. 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.

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

Zoosk will do the following:

- Provide financial support in the amount of \$15,000 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 organization to assist in various community engagement activities and events. Zoosk expects to assist in at least ten such activities and events.
- Help local youth acquire skills that are required to enter the workforce. Zoosk will:
 - Offer local youth professional exploration opportunities by inviting them to shadow Zoosk employees during a workday. During the shadowing days, Zoosk may also provide additional resources or recommendations to the participants to further help them in their professional exploration, and the participants may be asked to complete a questionnaire to guide them through their experience and to participate in a discussion to give feedback on their experience. Zoosk intends to offer three such shadowing days.
 - Partner with a local school or educational center during the 2017 school year to offer tutoring, mentorship and other education program support as agreed upon between Zoosk and the school or educational center. Zoosk expects to participate in at least four such tutoring, mentorship and education programs and provide at least 30 hours of support to such programs. These commitments may be modified as agreed upon between Zoosk and the school or educational center.
- 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 a local school. Zoosk estimates that it will donate approximately 100 backpacks containing school supplies, with an approximate aggregate value of \$3,000. Zoosk may adjust the number of backpacks and amount of school supplies donated based on the school's needs or student enrollment at the school.

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. Zoosk plans to send employees to volunteer six times a year.
- Participate in a food drive to benefit a local food bank. Zoosk expects the value of the donation to be approximately \$2,000.

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. Zoosk will work with an appropriate local agency to select the location for this commitment within the Central Market Street and Tenderloin Area.

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.

KEY FEATURE #6: COMMUNITY LIAISON

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, Pratibha Guha, at cba@zoosk.com with questions or concerns about Zoosk's goals and objectives set forth in this Community Benefit Agreement.

Zoosk'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 Zoosk is not represented by a community liaison or a company representative at four meetings within a 12-month period, this Key Feature #6 shall not be deemed successfully completed.

Zoosk's community liaison or a company representative shall participate in a discussion relating to displacement in San Francisco with the Citizen's Advisory Committee and other companies that have signed community benefit agreements with the City.

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. 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 Zoosk employees or other confidential information. Further:

- By March 1, 2017, 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. Zoosk 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 2017. .

- 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.

-end-