MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: June 15, 2010

SUBJECT: AUTHORIZE THE MAYOR TO SIGN A MEMO OF

UNDERSTANDING WITH THE REDMOND COMMUNITY FOUNDATION AND PROVIDE \$50,000 FOR INITIAL

ADMINISTRATIVE FUNCTIONS FOR THE FOUNDATION

I. RECOMMENDED ACTION:

Authorize the Mayor to sign a memo of understanding with the Redmond Community Foundation and provide \$50,000 for initial administrative functions for the purpose of developing fund raising activities in support of the City.

II. DEPARTMENT CONTACTS:

Michael E. Bailey, Finance and I.S. Director	425-556-2160
Craig Larsen, Parks and Recreation Director	425-556-2310
Jean Rice, Parks Sr. Mgmt Analyst	425-556-2378

III. DESCRIPTION:

The Redmond Foundation is a non-profit organization dedicated to building a healthy, vibrant, and engaged community in the city of Redmond. Founded in honor of Redmond's upcoming centennial in 2012, the Foundation will partner with residents, city government, and businesses to develop a shared vision for our future that will become a legacy for the next century. In service of this vision, the Redmond Foundation raises money to support projects, programs and events that improve quality of life, encourage civic engagement, and support environmentally sustainable practices.

The Parks and Recreation and the Finance Departments support the foundation in its efforts to achieve the foundation's vision of, "We inspire the community to come together to honor the past, harness present potential and shape a chosen future."

The \$50,000 will be used for the purpose of developing fund raising activities in support of the City's obligations to provide services and facilities to the community, including but not limited to the Downtown Central Park.

IV. IMPACT:

Service Delivery: A partnership with the Redmond Foundation will create much needed financial support for the community, specifically park projects in the downtown. The Foundation's support will encourage partnerships around the city and region, stimulating economic growth and civic engagement in our community.

Financial: Funding for the \$50,000 administrative start up costs will come from the Parks and Recreation General Fund Budget for 2009/2010.

V. ALTERNATIVES:

- 1. City Council could choose not to approve the agreement and the \$50,000 expenditure, therefore, limiting the Foundation's ability to begin fund raising activities benefitting the City.
- 2. City Council could approve the agreement and recommend an alternative funding amount.

VI. TIME CONSTRAINTS:

There are no known time constraints.

VII. LIST OF ATTACHMENTS:

A. Memo of Understanding

/s/ Craig Larsen, Parks and Recreatio	n Director	06/04/2010 Date
Approved for Council Agenda	/s/ John Marchione, Mayor	<u>06/04/2010</u> Date

ATTACHMENT A

CITY OF REDMOND AND REDMOND COMMUNITY FOUNDATION AGREEMENT

THIS AGREEMENT is made effective as of the ___ day of ______, 2010 at Redmond, Washington, between The City of Redmond (City) and The Redmond Foundation, Inc. ("Foundation"), a corporation organized under the nonprofit corporation laws of the State of Washington, with its principal office located at 8201 164th Ave NE, Ste 200, Redmond, WA 98052.

WHEREAS, the parties to this Agreement have a common interest in the welfare of the greater Redmond area community; and

WHEREAS, the Foundation has been established for the principal purpose of receiving and administering funds as endowments for various charitable, educational, scientific, literary, artistic, and civic purposes which will benefit various organizations within the greater Redmond community; and

WHEREAS, the City desires to obtain the assistance of the Foundation in developing fund raising activities to support the provision of City services and facilities to the community.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

- 1. **Contribution of Funds.** The City shall provide to the Foundation \$50,000 which shall be used to fund the work of the Foundation as provided in this Agreement.
- 2. **Property of the Funds.** The funds shall be contributed to the Foundation for the purposes cited herein. Once contributed, such funds shall be property of the Foundation. Funds contributed under this Agreement may be used as determined by the Foundation with regard to fulfilling its obligations under this Agreement.
- 3. **Designation of Purposes.** The funds shall be used to fund work of the Foundation that benefits any and all City activities and programs that are consistent with the Foundation's status as a charitable organization under Internal Revenue Code Section 501(c)(3), including, but not limited to organizing and carry out fundraising activities in support of the City's Downtown Park Project.
- 4. **Advisors.** The City and the Foundation shall establish a Fund Advisory Committee to perform the role of fund advisor. A full membership list for the Committee is attached as Schedule A. Upon change of the Committee members, updated information will be provided to both parties (the Foundation and the City).
- 5... **Reports**. The Foundation will provide quarterly information to City regarding the use of City funds and all revenues and expenses related to the City's funds. The reports are to specifically demonstrate how the Foundation's use of city resources contributed to the fulfillment of the Foundation's responsibilities under this Agreement as well as the public purposes of the City. Upon request, the Foundation will provide interim reports to City.
- 6. **Indemnification.** Each party hereto shall indemnify and save harmless the other, its directors, officers and affiliates, against all claims made against the other arising solely out of the acts or failures to act of the party from whom indemnification is requested. The indemnifying party shall defend any claims against the indemnified party and shall pay, satisfy and discharge any judgments, orders and decrees which may be recovered against the indemnified party.

ATTACHMENT A

- 7. **Dispute Resolution**. In the event that a dispute occurs between the foundation and the City of Redmond, both parties agree to follow a Dispute Resolution process. The process for dispute resolution would be as follows: the foundation will appoint one board member, the City will appoint one representative, and both will then agree on a third member to act as a subcommittee to gather pertinent information and listen to the oral arguments of each party. From that information, the subcommittee will declare an opinion and all parties agree to abide by that opinion.
- 8. **Termination.** This agreement may be terminated by either party upon 90 days prior written notice given to the other party. Upon termination, the balance of any unused City funds shall be returned by the Foundation to the City.

IN WITNESS WHEREOF, each party hereto has executed the Agreement by its duly authorized officers effective as of the day and year first above written.

THE CITY OF REDMOND

REDMOND COMMUNITY FOUNDATION

Schedule A

Foundation Representative

Jeni Craswell, Consultant, The Redmond Foundation

Fund Advisory Committee:

Jeni Craswell, Consultant, The Redmond Foundation Bruce Sult, Principal, Falco Sult, Finance Chair, the Redmond Foundation

City Representatives

Mike Bailey, Director, Redmond Department of Finance and Information Services Craig Larsen, Director, Redmond Department of Parks and Recreation

Executive Board:

Chair Dan Angellar General Manager – Redmond Marriott Vice Chair Jason VanNort Government and Community Relations

Manager - Puget Sound Energy

Chair Finance Bruce Sult Principal, Falco Sult

Chair Fund Development Open

Governance Keri Stout Executive Director, YMCA

Board Members

John Marchione Mayor. City of Redmond Dr. John Midtling Evergreen Healthcare

Linda Bensen Director of Development ,Hopelink

Peter Chee CEO, Thinkspace
Nancy McCormick Community Leader
Matt Loschen Community Leader