



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Alexandria McBride, Chief  
Resilience Officer

**SUBJECT:** Resolution Approving A Memorandum  
of Understanding (MOU) with Oakland  
Fund for Public Innovation (OFPI)

**DATE:** December 3, 2020

City Administrator Approval 

Date: Dec 7, 2020

## RECOMMENDATION

**Staff Recommends That City Council Adopt A Resolution Approving A Three-Year Term Memorandum Of Understanding Between The City Of Oakland And The New Venture Fund (NVF), As Fiscal Agent For The Oakland Fund For Public Innovation, To Formally Create A Partnership Between The City And NVF With The Goal Of Developing Privately Funded Projects And Programs That Address Oakland's Most Complex Issues And Promote Equity, Economic Empowerment, And Cultural Preservation And Enrichment In Oakland.**

## EXECUTIVE SUMMARY

Approval of the proposed resolution will authorize a three-year term memorandum of understanding (MOU) between the City of Oakland and the New Venture Fund (NVF), as a fiscal agent for the Oakland Fund for Public Innovation (OFPI).

The proposed MOU creates a formal partnership with NVF that would (1) generate new funding resources that the City may not have access to by allowing private donors to support City programs, activities and projects that align with City priorities; (2) allow City staff, in partnership with key stakeholders, to incubate and pilot new programs or initiatives that lack funding from the City budget, and (3) ensure transparency on roles and responsibilities of all parties and alignment with all legal and ethical requirements.

A draft of the proposed MOU between the City of Oakland and NVF is provided in **Attachment A**.

## BACKGROUND / LEGISLATIVE HISTORY

City Council approved Resolution No. 88296 C.M.S., (**Attachment B**) on October 6, 2020, which authorized the City of Oakland to enter into a MOU with OFPI and/or its fiscal agent, NVF,

Special City Council  
December 15, 2020

contingent upon bringing the proposed MOU back to City Council for consideration and approval.

The sole purpose of the proposed MOU (**Attachment A**) is to establish a collaborative partnership between the City of Oakland and NVF (OFPI's fiscal sponsor) with defined roles and responsibilities for the development of new projects and programs to advance the City's shared priorities and address Oakland's most complex issues. This is not an agreement for any particular project or program. Any new City projects and programs that arise out of this partnership will require a separate agreement, scope of work, and will be subject to City Council approval (unless approval is within the City Administrator's authority).

This formal partnership will build upon the successful work of the Oakland COVID-19 Relief Fund, a collaborative effort between OFPI and the City of Oakland to respond to the public health emergency. While the City was dealing with unprecedented demands for services in the early days of the public health emergency, OFPI reached out to City staff to obtain information and advice on how they could deploy \$5.7 million dollars of privately raised funds to help address the most urgent needs of Oakland citizens. OFPI's COVID Relief Fund supported multiple initiatives for Oakland's most vulnerable residents and those most impacted by racial disparities, including increased services for the unhoused, food delivery to seniors, emergency grants to the housing insecure and extremely low-income small business owners, and free community-based COVID-19 testing.

## **ANALYSIS AND POLICY ALTERNATIVES**

The proposed MOU creates a formal partnership with NVF that would (1) generate new funding resources that the City may not have access to by allowing private donors to support City programs, activities and projects that align with City priorities; (2) allow City staff, in partnership with key stakeholders, to incubate and pilot new programs or initiatives that lack funding from the City budget, and (3) ensure transparency on roles and responsibilities of all parties and alignment with all legal and ethical requirements.

During the October 6, 2020 meeting City Council raised several questions and made several suggestions about the proposed MOU and partnership with NVF. The questions and responses are below.

**1. Include Language about City priorities and ensure the agreement is a vehicle to advance shared City priorities (Bas)**

The "Recitals" section and Provision B of the MOU includes language about shared City priorities.

**2. Will the City have seats on Board (Kaplan)?**

Yes, per Provision C in the MOU, Oakland's City Administrator or their designee shall be permitted to serve as a non-voting, honorary member of the Advisory Board, subject to final approval from the OFPI Advisory Board Chair.

**3. Who selects the Board? Who elects the staff? Who will be liable for conduct concerns? (Kaplan)**

NVF is an independent organization and will select Board members and hire their own staff. The indemnification section covers liability concerns related to the City.

**4. Are contributions to OFPI governed by City rules? Are they reported as behested contributions? (Kaplan)**

Per Provision C (2) h of the MOU, OFPI must ensure all donations to the Oakland Fund will be made in compliance with the Political Reform Act, including but not limited to ensuring that all behested payments are timely reported on California Fair Political Practices Commission Form 803 and said form is filed with the City of Oakland Office of the City Clerk.

**5. Are there limitations for companies doing business with the City? (Kaplan)**

Provision K outlines protections against conflicts of interest. Any new City projects and programs arising from this partnership will require a separate agreement and said agreements will contain all applicable conflict of interest provisions.

**6. Where does the budget for entity go and who decides how the money is spent? (Kaplan)**

Oakland Fund for Public Innovation is fiscally sponsored by the New Venture Fund. The New Venture Fund ("NVF") is a 501(c)(3) public charity and is responsible for the oversight and implementation of the projects and programs, as well as for compliance with all financial, employment, and governmental laws and regulations.

As described in Provision C(1)(a) of the MOU, designated City staff will identify City-related issues that could benefit from private funding support and will work with NVF to develop projects and programs to address said issues. However, NVF will have ultimate decision-making authority with regard to project funding and, as set forth in Provision C(2)(g) of the MOU, NVF, as OFPI's fiscal sponsor, will make all fund awards, including grants, for projects and programs arising from this partnership.

**7. Will the Board meetings be public? Will the board meetings be noticed? (Kaplan)**

OFPI Advisory Board Meetings are not public, as NVF is not a public agency. However, per Provision C in the MOU, NVF must maintain a publicly accessible website containing comprehensive reports on fundraising efforts and all City of Oakland projects and programs that receive funding support from the Oakland Fund. Additionally, OFPI will support Oakland City Council requests for reports twice a year.

**8. Will the hiring of staff follow governmental hiring rules? (Kaplan)**

NVF is not a governmental organization so will not be subject to governmental hiring rules.

**9. Please describe elements of existing MOUs with groups like Friends of Oakland Parks and Recreation Foundation (Bas, Taylor)**

On July 21, 2009, the City Council passed Resolution No. 82214 which authorized the City Administrator to enter into an agreement with Oakland Parks and Recreation Foundation (OPRF), formerly the Friends of Oakland Parks and Recreation, for the

cooperative solicitation of private and public funding to be used for capital improvements for the Office of Parks and Recreation and for improvement of City owned park grounds. Although the agreement between the City and OPRF differs from the proposed MOU with OFPI in that the OPRF agreement has a singular focus, Oakland parks and recreation; the goals of the two agreements are very similar, creation of a public-private partnership for the betterment of Oakland.

The most recent agreement between the City and OPRF is attached hereto as **Attachment C**. OPRF has as its primary purpose to secure, manage and invest privately raised funds solely for the benefit of the Oakland parks and recreation programs, facilities and services. Pursuant to the agreement between the City and OPRF, the City cooperates in and supports OPRF's solicitation of private funds as well as potential partnerships to enhance State and/or Federal Grant applications for City projects that are consistent with project priorities and holds a non-voting, honorary seat on the OPRF board.

**10. Please provide an attorney opinion regarding City collaboration with OFPI (Kaplan)**

The City Attorney's Office will submit a separate memo to address this question.

**FISCAL IMPACT**

Action on this report has no immediate fiscal impact. Approval of the resolution will allow the City to enter into a MOU with OFPI. The Oakland Fund for Public Innovation will likely have a positive fiscal impact to the General Fund due to the added capacity to City staff and Oakland residents through the projects that it sponsors.

**PUBLIC OUTREACH / INTEREST**

Public outreach strategies will vary depending on the projects undertaken by OFPI in partnership with City staff, however, no public outreach was deemed necessary for this report.

**COORDINATION**

Coordination with City staff will vary depending on the project. Most recently, the Oakland COVID-19 Relief Fund worked closely with the Community Resilience Branch in Oakland Emergency Operations Center, which included input from the City Administrator's Office, the Department of Economic and Workforce Development, the Department of Transportation, the Department of Race and Equity, Human Services and the Mayor's Office.

The Office of the City Attorney, Budget Bureau, and Mayor's Office were consulted in the preparation of this report and resolution.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** Given the City of Oakland's limited financial resources the collaboration with the Oakland Fund for Public Innovation and usage of private dollars will give City staff the ability to test new ideas without impacting the General Purpose or other internal funds.

**Environmental:** Collaboration with OPFI has the potential to leverage private funding to support the city's environmental goals set forth in the Equitable Climate Action Plan (ECAP), the Resilient Oakland Playbook and other sustainability policy priorities.

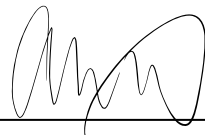
**Race & Equity:** OFPI strives to improve the prosperity, safety and quality of life for all Oaklanders with projects that build a more trustworthy and responsive government, enable allow Oaklanders to stay rooted and thrive in Oakland. As with the COVID-19 relief fund a partnership with OFPI will enhance the City's ability to continue to serve the most vulnerable and underserved residents.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That City Council Adopt A Resolution Approving A Three-Year Term Memorandum Of Understanding Between The City Of Oakland And The New Venture Fund (NVF), As Fiscal Agent For The Oakland Fund For Public Innovation, To Formally Create A Partnership Between The City And NVF With The Goal Of Developing Privately Funded Projects And Programs That Address Oakland's Most Complex Issues And Promote Equity, Economic Empowerment, And Cultural Preservation And Enrichment In Oakland.

For questions regarding this report, please contact Alexandria McBride, Chief Resilience Officer at 510-238-6454.

Respectfully submitted,



Alexandria McBride, Chief Resilience Officer  
City Administrator's Office

Attachments (3):

A: Draft NVF MOU

B: Resolution No. 88296 C.M.S

C: OFPR MOU

Special City Council  
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