

From: [Phan, Johnny](#)
To: [Downtown West Project](#)
Subject: FW: Preliminary Draft for Development Agreement - Community Fund
Date: Tuesday, April 6, 2021 2:41:22 PM
Attachments: [FundRoles \(004\).docx](#)

From: Phan, Johnny
Sent: Tuesday, March 2, 2021 2:45 PM
To: Miller, J. Gregg <gmler@coblenzlaw.com>
Subject: Preliminary Draft for Development Agreement - Community Fund

Hi Gregg – See attached. Thanks. Johnny

Johnny V. Phan

Chief Deputy City Attorney
Office of the City Attorney
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113-1905
Main Ph: (408) 535-1900
Direct No.: (408) 535-1981
Fax No. (408) 998-3131

NOTICE TO RECIPIENT: This communication is intended **only** for the person to whom it is addressed, and may be protected by law. If you receive this in error, any review, use, dissemination, distribution, or copying is strictly prohibited. Please notify us immediately of the error and delete this communication and any attached documents from your system. Thank you for your cooperation.

Revisions to Recommended Fund Structure Chart

To clarify recommended roles, and options requiring public input

City Council

Provide high-level direction, including fundamental policy decisions (“Guardrails” inc. purpose, structure, allocation between two main program areas,)

Approve contract with Third-Party Fund Manager

Determine structure of Community Advisory Board and appoint members

Annual budget appropriation

Public review of Annual Performance Report of the program

Audit rights of program (City needs to be able to step in when an audit shows problems, allegations of misuse of funds, violations of laws)

Does not approve grant recommendations

City Administration

General oversight and Fund liaison

Contract compliance and manage the fiduciary relationship with Fund Manager

Bring forth annual funding requests and Annual Performance Report to Council

Manage periodic evaluation and/or audit of Fund by a third-party

Third Party Manager

An experienced Fund-managing institution selected through City solicitation

Administer the Fund under contract with City

Support Community Advisory Board, other public engagement

Recommend metrics to evaluate Fund’s effectiveness

Manage solicitation, evaluation and award of each round of grants

Manage development of Strategic Plan to guide activities of the Fund (with Board)

Develop Annual Performance Report for Council and the public (on effectiveness of Fund investments and funded programs, including achievement of metrics)

Provide technical services to grantees and potential grantees

Manage grantee performance

Raise funds from other donors (likelihood dependent partially on final Fund structure)

Compensated by City through Fund

Community Advisory Board

15 members: 5 local lived experience, 5 program area expertise, 5 City and at large (Google ex officio)

Manage development of Strategic Plan to guide activities of the Fund (with Board)

Guide scoping of each round of grants

Review grant applications and provide grant recommendations

Board members will be Conflict of Interest Form 700 Filers and subject to applicable local and state disclosure and conflict laws

Recommend use of Fund monies for non-grant costs (e.g., technical assistance, public engagement)

Conduct Brown-Acted meetings

Develop Annual Performance Report for Council and the public (on effectiveness of Fund investments and funded programs, including achievement of metrics)

Participate in fundraising activities

Board member participation and development could be supported financially (specifics TBD as part of Strategic Plan)

Note from Estolano: if categories for members of Advisory Group are too specific, it could make it very difficult to appoint members in the future.

Note from Estolano 3/2/2021: if the possibility of major donors having a seat on the Board is foreclosed, the Fund may be challenged to attract additional funders beyond developers with DA's

Grantees

501(c)3's, education institutions, public agencies

Grants support service, programs, and projects (specifics TBD in Strategic Plan)

Consider deleting "Third Party Support" from the Fund Structure Chart; not necessary now to confirm that subcontracting this role is possible