



Memorandum

TO: HONORABLE MAYOR
AND COUNCIL

FROM: Jon Cicirelli

SUBJECT: SEE BELOW

DATE: December 15, 2020

Approved

Date

12/17/20

COUNCIL DISTRICT: 5

SUBJECT: POLICE ACTIVITIES LEAGUE OPERATING MODEL CONTRACT

RECOMMENDATION

Approve guiding principles for an agreement between the City of San José and the San José Police Activities League to provide operations of the J.R. Blackmore Police Activities League Stadium Complex, including operating athletic programs, performing minor facility maintenance and conducting fundraising activities.

OUTCOME

A successful agreement with the San José Police Activities League (PAL) will result in its continued implementation of athletic-focused programming for San José youth, clear direction on long-term facility maintenance and capital investment, a defined partnership with the Department of Parks, Recreation and Neighborhood Services (PRNS), the continued involvement of the San José Police Department (SJPD) in PAL programming, and the establishment of a strategic plan for developing sustainable operations for PAL.

BACKGROUND

The San José Police Activities League is a California non-profit 501(c)(3) organization, established in 1968, that provides youth athletic programs. PAL's mission, as stated in its bylaws, is *to promote a constructive relationship between law enforcement agencies, young people and citizens of the community to develop the young people into responsible and mature citizens*. PAL offers an assortment of programs under its overarching umbrella. Individual programs include Taekwondo, boxing, a cadet program, and the Junior Giants program for mentally and physically challenged youth and adults. In addition, PAL has incorporated three

different sports leagues: Metro PAL Soccer, PAL PONY Baseball, and the Football/Cheerleading Conference.

The City of San José (City) provides significant support to PAL through free use of the J.R. Blackmore Police Activities League Stadium Complex located on the east side of San José. PAL is an independent non-profit organization, separate from the City. Prior to 2019, PAL was managed by sworn City staff from the SJPd and had a facilities and maintenance agreement with PRNS.

In 2018, the City Auditor's Office conducted a review of PAL's financial reporting, facility use, service delivery and compliance with City agreements. To better serve San José youth through PAL programming, the audit highlighted the need for the City to re-examine its relationship and formal agreements with PAL for operations, joint use, and facility maintenance, as well as the roles and responsibilities of each organization and the appropriate positions to carry out these activities.

ANALYSIS

As recommended in the audit, PRNS and SJPd re-examined the City's relationship with PAL, presenting three potential operating models to the City Council's Neighborhood Services and Education Committee (Committee) in February 2020. Staff recommended and the Committee supported a hybrid model of joint operation of the facility.

In accordance with the Committee's support, PRNS initiated discussions with PAL to create an operational model with a focus on developing the PAL board and providing PAL support for the development of a long-term business strategy aimed at making the PAL facility and programs sustainable. This model also incorporates SJPd support for programs in the form of officers serving as coaches and mentors. Other primary objectives include PAL organizational development, building fundraising capacity, implementing revised and transparent operational procedures, and developing corresponding performance metrics.

Recognizing the economic uncertainty and resources needs that the City faces, staff recommends the following guiding principles for a revised agreement with PAL for the operation, promotion and support of the PAL Stadium Complex:

Agreement Section	Description
Contract Term	Three-year initial term, with two optional three-year renewals.
Funding	The 2020-2021 Adopted Operating Budget includes funding of \$50,000 to support the completion of business model assessments and to develop a long-term business strategy aimed at making the PAL facility and programs sustainable. Staff recommends repurposing the funding for these activities to be conducted by PAL, with PRNS coordination. Funding will be disbursed to PAL upon contract execution.
SJPD Roles and Responsibilities	Hold a seat on the board for the Chief of Police, or designee. Facilitate officer participation in programs and events held at PAL, as staffing allows.
PRNS Roles and Responsibilities	Hold a seat on the board for the PRNS Director, or designee. Manage contract on behalf of the City and provide staff support for board development. Perform limited daily field maintenance and manage major capital projects. * *The 2020-2021 Adopted Operating Budget includes 1.0 Recreation Program Specialist, 1.0 Groundskeeper, 1.0 Groundswoker, and 1.0 Recreation Leader part-time unbenefited positions, ending June 30, 2021, which currently provide staff support for community programs and enhanced daily field maintenance. Continued staff support for programming and maintenance beginning July 1, 2021 will be evaluated as part of the upcoming budget development process.

Agreement Section	Description
PAL Roles and Responsibilities	<p>Focus on community engagement through programming and fundraising activities.</p> <p>Conduct community relations and fundraising activities.</p> <p>Program league and tournament use of fields.</p> <p>Operate taekwondo, boxing, and gym programs.</p> <p>Partner with community groups to offer additional sports and mentor-themed programming.</p> <p>Coordinate with SJPD for officer participation and provide professional development and training in modern coaching and mentoring practices for participating officers.</p> <p>Operate concession stands.</p> <p>Daily minor facility maintenance.</p>
Board and Organizational Development	<p>In the first year of the contract, PAL will be expected to:</p> <ul style="list-style-type: none">• Recruit 5-7 additional board members• Develop a 3-5 year strategic plan that outlines operational and programming goals as well as achievable fundraising and sponsorship goals.• Update bylaws.
Fundraising, Sponsorships, and Contributions for Capital Improvements	<p>In the first year of the contract, PAL will be expected to:</p> <ul style="list-style-type: none">• Develop a City-approved sponsorship program with specified sponsorship levels and benefits, including donor or sponsor recognition and signage, consistent with City Council policies on Naming of City-Owned Land and Facilities and Donation, Sponsorship, and Fundraising.• Develop a 3-5-year strategic plan that outlines operational and programming goals as well as achievable fundraising and sponsorship goals.

Agreement Section	Description
PAL Revenue / Service Programs	<p>In the first year of the contract, PAL will be expected to:</p> <ul style="list-style-type: none">• Provide detailed operational plans including cash handling and revenue collection services for programs and concessions. Program revenue and donations will be reinvested in the operation of PAL in terms of program growth and capital investment.• Develop fee and scholarships schedules for equitable access to PAL programs, in alignment with other PRNS fees and charges.
Reporting Practices	<p>On an annual basis, PRNS and PAL will discuss and agree upon performance targets, which will be the basis for managing performance. Performance targets and measures will include revenue and expenses, fundraising progress, and the number and demographics of youth participants in PAL programs.</p> <p>A schedule of regular reporting on program data will be established.</p> <p>Written operational policies will be provided and detailed procedure for quarterly operational audits will be implemented.</p>
Books, Records, Accounts	<p>PAL will be provided with specific expectations including a schedule for timely and accurate accounting practices and budget development and reporting.</p> <p>An annual financial audit report will be required.</p>
Volunteers	<p>All volunteers will be required to comply with background checks and performance expectations.</p>

CONCLUSION

Staff recommends that the City Council approve guiding principles for an agreement with PAL as outlined above.

EVALUATION AND FOLLOW-UP

Staff will report biannually to the Neighborhood Services and Education Committee until the model has been successfully adopted and implemented.

CLIMATE SMART SAN JOSE

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City Council's Agenda website prior to the January 5, 2021 City Council meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, San José Police Department, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

This item is not subject to the review of City commissions at this time.

FISCAL/POLICY ALIGNMENT

The proposed action is consistent with the City Council's direction for staff to develop and present for City Council consideration a long-term operations model for PAL.

COST SUMMARY/IMPLICATIONS

The 2020-2021 Adopted Operating Budget included 1.0 Recreation Program Specialist, 1.0 Groundskeeper, 1.0 Groundswoker, and 1.0 Recreation Leader part-time unbenefited positions through June 30, 2021 and one-time nonpersonal/equipment funding of \$50,000 to support the completion of business model assessments and to develop a long-term business strategy aimed at making the PAL facility and programs sustainable. As described above, the \$50,000 included in the current budget would be paid to PAL in accordance with the principles of the agreement outlined above to achieve a sustainable business strategy.

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Recognizing the economic uncertainty and resources needs that the City faces, staff is preparing various proposals for the 2021-2022 budget development process, including the reallocation of existing resources, to implement a hybrid model that includes staffing for community programs that will complement PAL's programs and events, and for continued enhanced maintenance of the sports fields, though the final operational approach cannot be specified at this time.

CEQA

Not a Project, PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/

JON CICIRELLI

Director of Parks,

Recreation and Neighborhood Services

For questions, please contact Avi Yotam, Interim Deputy Director, at avi.yotam@sanjoseca.gov.