

## AGENDA REPORT

### **Resolution Approval to Establish and Implement a Community Investment Policy Social Responsibility Division**

**MEETING DATE:** 5/28/2015

**AMOUNT:** N/A  
Choose an item.

**PARTIES INVOLVED:** N/A

**SUBMITTED BY:** Amy Tharpe, Director of Social Responsibility

**APPROVED BY:** J. Christopher Lytle, Executive Director

**ACTION TYPE:** Resolution

#### **EXECUTIVE SUMMARY**

The purpose of this report is to request approval to establish and implement a Port Community Investment Policy.

### **BACKGROUND**

On September 12, 2013, staff presented an informational report regarding the status of existing Port sponsorships and assistance programs with a proposed set of recommendations for a more effective and transparent approach to Port investments and sponsorships. As part of the recommendations, Port staff presented a draft Community Investment Policy to the Port Commission for feedback. In that discussion, Commissioners raised the following issues for consideration: provide a clear understanding of how our sponsorships relate to other Port community investments; and fortify the connection between our sponsorships and partnerships that support our strategic goals especially in the area of education. The final recommendations in this report consist of feedback from the September 12, 2013 Board discussion.

The Port had previously adopted two administrative policies that were intended to provide a set of uniform guidelines to ensure that the Port's sponsorship/assistance program creates value for the local community and promotes the goals and objectives of the Port's Maritime, Aviation, and Commercial Real Estate Divisions, subject to state tidelands trust restrictions.

There are currently two Port policies on contributions and sponsorships in existence: AP907 (Solicitations by External Organizations or Individuals (Non-Port Employees)), created in 2000; and AP 908 (Port Assistance Policy) which was implemented in 2003. In addition, the Port had adopted a Community Services Printing Program (AP 906) in 1996 to provide for select free printing services for local nonprofit organizations (and has subsequently been deleted and cancelled in FY14).

In FY2003-04, the Port sponsorship program's annual budget of \$250,000 was defunded. Certain Port sponsorship commitments, however, continued to be made from various Port account sources, most typically as a result of existing sponsorship history and other internal drivers. Further communications were sent to community partners providing notice of cessation of the Port's sponsorship program in 2009, although again, certain sponsorship commitments have been continued to this day. The range of Port sponsorship recipients has included traditional "community-oriented" initiatives as well as advocacy, trade, and economic development partnerships such as support for local chambers of commerce. These yearly investments have most recently ranged from \$169,942 in FY12 to approximately \$250,000 in FY14.

The administration of the sponsorship program has historically been overseen by the Port's Community Relations staff, which was originally part of the Port's then- Communications Division and also under the External Affairs Division beginning in FY2011. At the end of the FY13, the Social Responsibility Division administered these activities when Community Relations became part of the Social Responsibility Division.

## **ANALYSIS**

While the Port sponsorship program was originally established with the intent to create a framework to prioritize and enhance our community relationships and to develop lasting partnerships across the Port's three lines of business, the current structure of the Port sponsorship program has many limitations. The inventory and review of the past several fiscal years has allowed staff to make several findings:

- **Application process and response protocols are non-existent**
- **Lack of a cohesive decision-making process about what should be funded**
- **Lack of tracking and reporting of investments**
- **Lack of targeted community investments**
- **Poorly defined focus areas and sponsorship categories**

## **Transforming Sponsorships into Community Investments**

In response to these findings, we have identified several areas of opportunity and improvement that a more robust Community Investment Policy would seek to address:

- Ability to grow the Port's base of support by facilitating ongoing and new partnerships with local organizations and initiatives
- Create a transparent and consistent application process
- Strengthen the Port's goodwill in the community
- Prioritize our investments in a more coordinated and strategic manner to better align with organizational priorities
- Increase transparency and awareness of Port investments
- Ensure that ongoing commitments evolve with Port needs
- Enhance tracking and reporting of targeted investments

## **Community Investments Enhancements**

The following are recommendations for the implementation of Port Community Investments.

### **Near Term Goals for Community Investments:**

1. Coordinate Port Community Investments through the Social Responsibility Division
2. Standardize applications for Port Community Investments with quarterly application periods throughout the year. Please see **Attachment A** as an example.
3. Publicize Community Investments Program better through diverse channels to reach organizations aligned with investment priorities.
4. Other process improvements that have been implemented and/or are currently underway:
  - a. Re-open “Port Sponsorships” central account code to capture Port wide tracking, transparency and reporting; and coordinate with key staff in each priority areas.
  - b. Discontinue the Port’s In-Kind Printing Program (AP906) as the Port currently lacks the staffing and the resources needed to implement the service.
5. To measure our impact, establish consistent investment metrics and reporting criteria for the Port’s contributions (which are not currently available); and
6. Build on our current research on best practices by partnering with other regional funders
7. Conduct enhanced outreach targeting a wide range of current and potential new partners.
8. Rebrand existing Port giving activities as “Port of Oakland Community Investments”, including strategic communications and outreach.
9. Report back to Port Commissioners on an annual basis on our annual Community Investments; and share with the community via an Annual Report.
10. Lastly, we recommend prioritizing our Community Investments into three priority categories: Economic Vitality; Workforce Development & Education; and Environmental Sustainability & Healthy Communities.

**Economic Vitality:** The Port of Oakland is committed to economic development and supports programs that promote community and economic viability by helping small businesses create and sustain jobs. We focus on programs that expand access to Port opportunities for small and local business as well as organizations that provide technical assistance. Examples include, but not limited to, activities with chambers of commerce and trade associations.

**Workforce Development & Education:** The Port of Oakland promotes equitable community access to employment and is committed to developing a workforce pipeline for Port careers. We support programs that prepare individuals to participate successfully in an increasingly global society and to contribute back to the communities in which they live. Specifically, we focus on supporting programs that increase access to high-quality education, and prepare individuals for careers in Port related industries. Examples include, but not limited to, training and education in the logistics, Science Technology Engineering & Math Education, aviation, and the building-construction trades.

**Environmental Sustainability & Healthy Communities:** The Port of Oakland is committed to sustaining healthy communities through leading edge environmental stewardship. We support programs that promote our goal of sustainable and healthy communities that surround the Port of Oakland. Specifically, we support environmental awareness, sustainability, environmental justice, and health education.

**Medium-Term Goals:** In the second year of the program staff will examine the first year investments with the following objectives:

- Determine partnership areas that allow for greatest impact and value
- Refine investment metrics and criteria
- Assess our budget and investment goals in coordination with the Strategic Business and Community Investments Coordinating Committee

### **BUDGET & STAFFING**

There will be no change in Port staffing and budget as a result of this action. The Community Investment Policy will be administered by the Social Responsibility Division and through the division's recurring budget for Sponsorships.

### **MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)**

The matters contained in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

### **STRATEGIC PLAN**

Approving the Community Investment Program will fulfill the following strategic plan objectives:

<b>Goal</b>	<b>Objective</b>
Create sustainable economic growth for the Port and beyond	1) Maximize the use of existing assets. 2) Affirm Port identity as a public enterprise. 3) Pursue strategic partnerships at all levels.
Promote equitable community access to employment and business opportunities	Conduct comprehensive communication and outreach to stakeholders and strategic partners to improve workforce and small business opportunities.
Sustain healthy communities through leading edge environmental stewardship	Ensure effective communication and education regarding environmental and safety standards with business partners and the community.

### **LIVING WAGE**

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"),

do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

### **ENVIRONMENTAL**

The proposal to authorize the Executive Director to approve and implement a new Community Investment Policy was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA), and the Port CEQA Guidelines. General policy and procedure making, such as the proposed action, is not a project pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(b)(2), so no environmental review is required.

### **GENERAL PLAN**

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

### **OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)/ PROFESSIONAL LIABILITY INSURANCE PROGRAM (PLIP)**

This action is not subject to the Port's Owner Controlled Insurance Program (OCIP) or Professional Liability Insurance Program (PLIP) as it is not a capital improvement construction project or design project supporting such construction.

### **OPTIONS**

- Authorize the creation of a Community Investment Program, approve the deletion of Port policy AP907 and update AP 908 by replacing the Port Assistance Policy with the Community Investment Policy.
- Do not authorize a resolution for the creation of a Community Investment Policy.

### **RECOMMENDATION**

Adopt a resolution authorizing the Executive Director to approve and implement the new Community Investment Policy; approve the deletion of Port policy AP907; and update AP 908 by replacing the Port Assistance Policy with the Community Investment Policy.