FUNDING AGREEMENT

This agreement ("Agreement"), dated 12/15/17, 2017, for purposes of identification, is between the City of Sacramento (the "City"), a California municipal corporation, and Advance Peace ("Recipient") and Safe Passages ("Fiscal Sponsor"), a California nonprofit public benefit corporation.

Background

Nationally, each year 11,000 people are murdered with a firearm and 70,000 people suffer from nonfatal firearm injuries. While the impact of firearm violence is widespread and devastating, studies show it is typically driven by a small number of community members who are among the most likely victims of violence. According to the California Department of Justice, in 2015 the City of Sacramento experienced a 54% increase in homicides and a 47% increase in firearm assaults citywide compared to the previous year.1

Advance Peace works to interrupt gun violence in urban neighborhoods by providing transformational opportunities to young adults identified as most likely to be perpetrators and/or victims of gun violence. They offer an 18-month high-touch, personalized program to young men involved in firearm offenses. The Peacemaker Fellowship Program is grounded in six evidence-based practices and modeled after the City of Richmond's Office of Neighborhood Safety efforts. The six evidence-based practices are detailed in the document attached as Exhibit A.

In February 2017, the Mayor’s Gang Prevention & Intervention Task Force ("Task Force") vetted the Advance Peace strategy for Sacramento. Out of 28 interested cities, Sacramento has been selected by Advance Peace to partner on the implementation of The Peacemaker Fellowship Program in Sacramento. As part of this partnership, Advance Peace will match the City’s financial investment to implement and evaluate the strategy in Sacramento.

Safe Passages serves as fiscal sponsor for Advance Peace to provide administrative support for the implementation of the Peacemaker Fellowship Program. Safe Passages is a California nonprofit public benefit corporation whose mission is to disrupt the cycle of poverty by engaging youth and families to build and drive a continuum of services that supports student success and community development. Safe Passages has additional staffing and resources needed for initial outreach and contacts with organizations and community partners to assist Advance Peace in administering the Program.

With these background facts in mind, the City, Recipient, and Fiscal Sponsor agree as follows:

1. Term. The Term of this Agreement shall commence on December 15, 2017 and end on December 31, 2019, unless extended by the City pursuant to Section 10.

1 The information can be found at https://openjustice.doj.ca.gov/
2. **Funding.** The City shall provide Fiscal Sponsor with a total financial commitment not to exceed $1.5 million, over the Term and Extended Term, to support implementation of the Peacemaker Fellowship Program in Sacramento. Fiscal Sponsor will distribute the funds to the Recipient.

Payments by the City shall be rendered at the times set forth below:

- December 29, 2017 - $250,000
- December 31, 2018 - $250,000
- January 31, 2020 - $250,000. Provided, however, that this final installment will be distributed only upon receipt of the final Evaluation as described in Section 5, subsections b.5 and d.

If the City exercises its option to extend pursuant to Section 10, City shall render payments for the Extended Term as follows:

- December 29, 2019 - $250,000
- December 31, 2020 - $250,000
- January 31, 2022 - $250,000. Provided, however, that this final installment will be distributed only upon receipt of the final Evaluation as described in Section 5, subsections b.5 and d.

3. **Matching.** Recipient shall provide matching funds to that of the City in an amount of no less than $1.5 million dollars during the Term and Extended Term of this Agreement. At a minimum, Recipient’s matching funds shall be provided at the same time, and in the same amounts, as City’s funding under Section 2. Recipient may add additional funds beyond the minimum required matching amount with no additional match from the City. City will verify Recipient’s share of the matching grant funds as set forth in Sections 4 and 6 below.

4. **Monitoring and Evaluation.**
   a. Advance Peace shall provide City with aggregate and individualized data with unique identifiers associated with Fellowship participants and their engagement with associated activities of the Peacemaker Fellowship without compromising its integrity with its participants, their families and communities. City commits to work with Advance Peace's evaluation partners - The National Council on Crime and Delinquency (NCCD) and the Institute of Urban and Regional Development (IURD) at UC Berkeley. The City shall have the right to request the services of an outside agent to assist in any additional independent performance evaluation. For such evaluation, City will work with Advance Peace in selection of a mutually agreed upon evaluator.
   b. Recipient shall submit regular progress reports regarding its performance and compliance under this Agreement.
   c. Recipient and the City's Director of the Gang Prevention and Intervention Task Force shall work in good faith on establishing the content of the progress reports. Unless otherwise indicated, Recipient shall be required to submit written reports on a quarterly basis, or approximately every 90 days following the effective date of the agreement.

5. **Program’s Deliverables.** In exchange for the City’s funding, Recipient shall perform the following services or achieve the following goals within the timeframes indicated:
a. Year 1

First Quarter

1. Hire local Program Manager and at least three Full Time Equivalent (FTE) local Outreach Workers. Recipient shall perform background checks to ensure neither the Program Manager nor the Outreach Workers are persons required to register under Penal Code section 290.
2. Deploy local Outreach Workers within impacted neighborhoods of focus - begin targeted outreach.
3. Begin identifying potential participants for the first cohort in partnership with the City Manager’s Office and community stakeholders.
4. Begin identifying individuals or organizations who will be part of the Elders Circle.
5. Provide a quarterly report to the City jurisdiction demonstrating achievement of these benchmarks within 30 days following end of first quarter.

Second Quarter

6. Begin offering/enrolling identified potential participants for the Peacemaker Fellowship Program (all Fellows identified/enrolled no later than 6th month).
7. Engage in outreach to identify 1-3 local community-based organizations within the City jurisdiction in effort to build long-term local capacity to sustain AP strategy.
8. Provide a quarterly report to the City jurisdiction demonstrating achievement of these benchmarks within 30 days following end of second quarter.

Third Quarter

9. Begin implementation of 18-month cohort of up to 50 participants.
10. Seat Elders Circle (no later than 9th month)
11. Provide a quarterly report to City jurisdiction demonstrating achievement of these benchmarks within 30 days following end of third quarter.

Fourth Quarter

12. Begin identification of potential sources of Fellow internship opportunities based on stated interests or "ready" fellows.
13. Provide year-end report demonstrating achievement of benchmarks and milestones, update overall progress of the Peacemaker Fellowship Program including City funding budget expenditures (no later than 45-days into year 2).

b. By Year 2 End

1. Begin identification of potential participants for second cohort.
2. Complete first 18-month cohort.
3. Select 1-3 local community-based organizations within the City jurisdiction to build capacity that sustains AP strategy locally after year end of this Agreement.
4. Provide quarterly written report to the City jurisdiction demonstrating progress and achievement of benchmarks within 30 days following end of each quarter.
5. Provide update on overall progress of the Peacemaker Fellowship Program including aggregate and individualized participant data with unique identifiers (i.e. Fellow #1, Fellow #2, etc.), benchmarks, City budget expenditures, provide data demonstrating at least a 20-
25% reduction of gun-related assaults and homicides during the first two years of the program (and at the end of the Extended Term, if any, data demonstrating a 50% reduction), provide a detailed evaluation of findings of the 18-month cohort, information should include, but not be limited to:

(a) The number of participants that completed the program. The goal is to have 75% of enrolled participants complete their Fellowship.

(b) The number of participants with new gun charges/arrests while enrolled in the program. The goals are to have 65% of enrolled participants remain free of new gun charges while enrolled in the program, and to have 65% of enrolled participants with no new firearm related arrests while enrolled in the program.

(c) The number of participants, if any, shot or killed by firearms during the program. The goal is to have 65% of enrolled participants with no new firearm related injuries or hospitalizations while enrolled in the program.

(d) Any social services received after enrolling in the program.

(e) Percentage of LifeMAP milestones reached by participants. LifeMAP milestones are a series of personally tailored goals each participant will be expected to achieve. Examples include but are not limited to: attendance and completion of anger management classes; obtaining high school diploma; attending parenting classes; attending drug or alcohol rehabilitation meetings; etc.

(f) The number of participants entering paid internships.

c. If the City exercises its sole discretion to extend pursuant to Section 10, during the Extended Term, Recipient shall, for years 3 and 4, perform all corresponding services identified for years 1 and 2 in subsections a and b, above, respectively.

d. At the end of the agreement (end of Term, or end of Extended Term if City has exercised the extension option pursuant to Section 10), Recipient shall:
   1. Provide comprehensive evaluation findings conducted by an external evaluator (UC Berkeley Institute for Urban and Regional Development, and National Council on Crime and Delinquency) including but not limited to: accomplishments, challenges, data analysis, success stories, cost-benefit analysis, and recommendations within 120 days after last day of the Agreement.
   2. Provide final accounting of all costs and expenditures within 90 days after the last day of the Agreement.
6. Documentation; Retention of Materials; Examination of Records

a. Recipient shall establish and maintain a system of accounts for the Peacemaker Fellowship Program that shall be in conformance with generally accepted accounting principles. The system of accounts shall be subject to review and approval of the City. Among other things, the system of accounts shall maintain all financial and accounting activities of Recipient regarding the administration of the Peacemaker Fellowship Program, including but not limited to, the receipt and disbursement of all grant funds and Recipient’s matching grant funds.

b. Document all costs by maintaining complete and accurate records of all financial transactions, including but not limited to contracts, invoices, time cards, cash receipts, vouchers, canceled checks, bank statements and other official documentation evidencing in proper detail the nature and propriety of all charges and expenses.

c. Submit to the City at such times and in such forms as the City may require, statements, records, reports, data, and information pertaining to matters covered by this Agreement. Submission of these records may be separate or included in required progress reports.

d. Recipient shall preserve and make available its records: i) for a period of three (3) years from the date of expiration or sooner termination of the Agreement; or ii) for such longer period, if any, as may be required by applicable law.

e. Advance Peace shall provide City with aggregate data associated with Fellowship participants and their engagement with associated activities of the Peacemaker Fellowship without compromising its integrity with its participants, their families and communities.

7. Employment of Local Businesses.

The City has made it a long-standing commitment to promote the growth of the City’s economic vitality through the use of local businesses whenever possible. This includes encouraging businesses to hire local residents and use the services of local businesses. Recipient acknowledges that since the Peacemaker Fellowship Program’s primary directive is to provide services to residents within the City of Sacramento, that when possible, Recipient will attempt to employ, hire, or retain local businesses or residents in furthering the mission and services of the Peacemaker Fellowship Program. This includes giving local preference for the hiring of the Program Manager and Outreach Workers who will be employed to administer the Peacemaker Fellowship Program.

8. Limitation of Administrative Costs.

Recipient may use up to 10 percent of the City’s funds to pay administrative costs for the Peacemaker Fellowship Program. Recipient may expend the funds directly or may authorize its subrecipients or subcontractors, if any, to expend all or a portion of the funds, provided that their total expenditures for administrative costs do not exceed the maximum allowable amount. Recipient shall keep records sufficient to track administrative costs completely and accurately. The remainder of the City’s fund shall be used specifically for costs associated with staffing and local operations. No City funds shall be used for participant stipends; program costs associated with participant stipends are to be funded solely by Advance Peace.
9. **Notices.** Any notice or other communication under this Agreement must be in writing and is considered properly given and effective only when mailed or delivered in the manner provided by this section to the persons identified below. A notice or other communication that is mailed is effective or considered to have been given on the third day after it is deposited in the U.S. Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice or other communication sent in any other manner will be effective or will be considered properly given when actually delivered. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this section.

If to the City:  
City of Sacramento  
Office of the City Manager  
915 I Street, 5th Floor  
Sacramento, California 95814  
Attention: Khaalid Muttaqi  
Gang Prevention Intervention Director

If to Recipient:  
Advance Peace  
440 Civic Center Plaza, Suite 360  
Richmond, CA 94804  
Attention: DeVone Boggan  
CEO, Advance Peace

10. **City Option for Extended Term.** In his sole discretion, the City Manager may extend the term of this Agreement for an additional two years (the "Extended Term"). The City Manager shall notify Recipient of his decision regarding the Extended Term no later than December 30, 2019. In exercising his discretion, the City Manager may consider, among other things, the information described in Section 5.b.5. Provided, however, the City Manager may exercise his sole discretion on extension regardless of the outcomes, goals, or performance measures reflected in that information.

11. **Termination.** Neither party may terminate this Agreement during the Term or Extended Term.

12. **Assignments.** A party may not assign or otherwise transfer this Agreement or any interest in it without the other party's prior written consent, which the other party may withhold in its sole discretion. An assignment or other transfer made contrary to this section is void.

13. **Binding effect.** This Agreement binds and inures to the benefit of the parties' successors and assigns.

14. **Time of Essence.** Time is of the essence in performing this Agreement.

15. **Severability.** If a court with jurisdiction rules that any nonmaterial part of this Agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this Agreement remains valid and fully enforceable.

16. **Waiver.** A party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon breach of this Agreement will not constitute a waiver of the performance, right, or remedy. A party's waiver of another party's breach of any provision in this Agreement is not a continuing waiver or a waiver of any later breach of the same or any other provision. A waiver is binding only if set forth in a writing signed by the waiving party.
17. **Interpretation.** This Agreement is to be interpreted and applied in accordance with California law, except that that the rule of interpretation in California Civil Code section 1654 will not apply.

18. **Attorneys' fees.** The parties must bear their own costs and attorneys' fees incurred in connection with this Agreement.

19. **No Third-Party Beneficiaries.** This Agreement is solely for the benefit of the City and Recipient. It is not intended to benefit any third parties.

20. **Counterparts.** The parties may sign this Agreement in counterparts, each of which is considered an original, but all of which constitute the same Agreement. Facsimiles, pdfs, and photocopies of signature pages of the Agreement have the same binding effect as originals.

21. **Integration and modification.** This Agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous Agreements, representations, and negotiations—written, oral, express, or implied—and may be modified only by another written agreement signed by both parties.

City of Sacramento, a California municipal corporation

By: ________________________________
Howard Chan
City Manager
Date: 12/11, 2017

Safe Passages, a California nonprofit public benefit corporation

By: ________________________________
Josefina Avarad-Mena
CEO, Safe Passages
Date: 12/19/17, 2017

Advance Peace

By: ________________________________
DeVone Boggan
Founder & CEO, Advance Peace
Date: 12/8, 2017

Approved as to Form
Sacramento City Attorney

By: ________________________________
Michael Fry
Senior Deputy City Attorney
Date: 12/8, 2017

Attest:

By: ________________________________
Assistant City Clerk
EXHIBIT A

OUR APPROACH

Evidence Based Practices include:

- Street Outreach
- Mentoring
- Intensive Case Management
- Life Skills Training
- Cognitive Behavioral Therapy
- Subsidized Employment

33 Cities have expressed interest in the Advance Peace program

OUR APPROACH

Seven Daily Touch-Points include

- LifeMAP Milestone Allowance
- LifeMAP Goals
- Internship Opportunities
- Daily Check-ins
- Elders Circle
- Social Services Navigation
- Transformative Travel