



**BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND**

**AB 6097
June 7, 2022
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6097: Cooperative Agreement with the Mercer Island Youth and Family Services Foundation	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Authorize the City Manager to sign the Cooperative Agreement with the Mercer Island Youth and Family Services Foundation.	

DEPARTMENT:	Youth and Family Services
STAFF:	Ali Spietz, Chief of Administration Tambi Cork, YFS Administrator
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Cooperative Agreement with MIYFS Foundation
CITY COUNCIL PRIORITY:	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

EXECUTIVE SUMMARY

The purpose of this agenda bill is to seek approval from the City Council to enter into a Cooperative Agreement (“Agreement”) with the MIYFS Foundation (“Foundation”).

- The Cooperative Agreement formalizes the terms, procedures, and general understanding of the relationship between the City and the Foundation.
- To the extent staff are aware, this is the first formal agreement established between the two entities and this memorializes over three decades of partnership work for the benefit of youth and families on Mercer Island.
- This type of agreement is considered a best practice and is recommended by the State Auditor's Office to memorialize the terms of the partnership and to avoid “gift of public funds” concerns.
- The Foundation was established in 1989 and operates independently of the City. The business and affairs of the Foundation are managed by the Board of Directors and its duly elected officers, consistent with their adopted bylaws. The City Council of the City of Mercer Island is responsible for overseeing the priorities and long-term plans of the YFS Department.
- This Cooperative Agreement does not include long-term funding commitments. The funding commitments will be included in a separate agreement. This is to allow flexibility as funding levels

and needs change over time. Staff are working on the funding agreement for the next two biennia and will bring that to the City Council at a subsequent meeting.

- Once approved, the Cooperative Agreement, shall continue in force and effect until terminated pursuant to Section 10.2 in the Agreement.

BACKGROUND

The Mercer Island Youth and Family Services Foundation has served the community of Mercer Island since 1989, raising funds through community and private donations for the Youth and Family Services (YFS) Department of the City of Mercer Island. Comprised of community volunteers, the Foundation has been dedicated to funding the work of the human service professionals in YFS who strengthen the social and emotional wellbeing of Islanders of all ages, abilities, and backgrounds. The Foundation exists solely to raise and manage private financial resources to fund the mission and priorities of the YFS Department.

The Foundation is a separately incorporated 501(c)(3) organization operating independently of the City. The governance and business affairs of the Foundation are managed by the Board of Directors and its duly elected officers, consistent with its adopted bylaws.

The Foundation provides essential funding for the YFS Department, currently contributing \$300,000 annually to the Department operating budget, and contributing pass-through funding to Emergency Assistance, Food Pantry, Back-to-School, and Holiday Programs for low-income Mercer Island households. During the COVID-19 Pandemic, the Foundation contributed an additional \$816,000 to the Department's operating budget to mitigate the fiscal impact of the Thrift Shop closure.

ISSUE/DISCUSSION

Currently, there is no formal agreement establishing the terms, procedures, or general understanding of the relationship between the City and Foundation. Establishment of an agreement such as this is considered a best practice and is recommended by the State Auditor's Office to memorialize the terms of the partnership and to avoid "gift of public funds" concerns.

The attached Cooperative Agreement memorializes this essential relationship and describes each entities responsibilities and commitments under the Agreement. Elements of the Agreement include fundraising efforts, pass-through funds, fundraising event support (Annual Breakfast and Tree Sales), meeting space use, and data sharing.

The MIYFS Foundation Board reviewed and approved the Agreement at their May meeting.

NEXT STEPS

After receiving City Council authorization to sign the Agreement, staff will prepare a funding agreement between the City and the Foundation related to funding levels and allocations of donations for the 2023–2024 and 2025–2026 biennia. Staff anticipate bringing this funding agreement to the City Council at a subsequent City Council Meeting.

RECOMMENDED ACTION

Authorize the City Manager to sign the Cooperative Agreement with the Mercer Island Youth and Family Services Foundation substantially in the form attached as Exhibit 1 to AB 6097.