

**Letter of Intent for the Mutual Cooperation between the City of Palo Alto (hereinafter “the City” or “CPA”) and the Friends of the Palo Alto Recreation Wellness Center (hereinafter “the Friends” or “FPAWRC”), a nonprofit 501(c)(3) charitable organization incorporated in the state of California.**

The City of Palo Alto completed the Parks, Trails, Natural Open Space, and Recreation Master Plan, a comprehensive analysis of the community's need for recreation, open space and wellness, which prioritized expansion of indoor space for exercise and sports activity space. Subsequently, the Palo Alto Parks and Recreation Commission (PRC) formed an Ad Hoc Committee, commonly referred to as the “Gym Committee,” dedicated to the expansion of indoor activity space. FPAWRC was incorporated August 30, 2023 as a nonprofit organization dedicated to supporting the City’s efforts to expand indoor recreational space by building community awareness of the need for additional space, catalyzing community engagement in the creation and ongoing support of the space, and helping raise public and private funds for development and operational costs.

FPAWRC now wishes to collaborate and negotiate a long-term public-private partnership to expand indoor wellness space by achieving the following strategic objectives:

1. Identify a mutually agreed upon site on City-owned land of sufficient size and location to accommodate additional indoor recreational and wellness program space accessible to the community. At this time, the Cubberley site is assumed to be the preferred location. The parties will mutually determine a location at the Cubberley site to accommodate the project in concert with development of a master plan for a community center at the Cubberley site.
2. Plan for facility use that is flexible and adaptable to both the current and the evolving future needs of the community. Develop architectural plans and specifications for an expanded recreation facility intended to be constructed as potentially the first phase of the master plan for the Cubberley site.
3. The Friends will participate in the City’s development of a master plan for the Cubberley site, to reinforce coordination and comprehensive planning.
4. The Friends and the City will mutually develop a construction and program budget.
5. The Friends will initiate a fundraising program to offset the City's capital development costs, either in total, which is the optimum goal, or in part as a minimum goal. The minimum and total goals will be agreed upon between the City and the Friends following the development of the budget.

6. CPA may provide FPARWC with site access and contracting authority to manage construction with oversight by the City.
7. Mutually develop a staffing and operating plan for programs to be conducted in the new facility.
8. The City agrees to pursue the adoption of the revised Cubberly Master Plan as expeditiously as possible.

FPARWC and CPA are interested in undertaking and completing the new facility in accordance with one or more future agreements subject to mutually acceptable terms and conditions. The City and FPAWC will endeavor to negotiate a potential agreement as soon as possible. Elements to be included in the agreement(s) include:

1. Term of the agreement(s)
2. Acknowledgement that the City is commencing a master planning effort for a new community center at the Cubberley site that will include community engagement building upon the Cubberley Concept Plan completed in 2019, and coordination and cooperation with that effort will be necessary to meet milestones defined in the Memorandum of Understanding between the City and Palo Alto Unified School District.
3. Distinct phases for fundraising and construction, respectively, with separate terms for each phase.
4. Contracting requirements that would allow FPARWC to efficiently manage construction of the new facility.
5. Establishment of a time frame and details, including goals for fundraising activities.
6. Acknowledgement and stewardship of coordination with City departments to be involved in the project.
7. Development of a community outreach and engagement plan by the City and FPARWC to build support for the project and to receive and address community comments.
8. A project schedule, including timelines for review by the City's Architectural Review Board, Planning and Transportation Commission, and other boards and commissions as may be required.
9. Options for either party to terminate the partnership (*or "joint planning process"*) agreement.
10. The City acknowledges that the Friends will start a major donor fundraising effort and may require commitments from the City in terms of a lease or other process requirements in order to close a major donation. The City acknowledges it will be responsible for providing those commitments in a timely manner or risk losing major donors.

This letter is not a binding contract between CPA and FPARWC and does not establish a legal partnership or any other legal relationship. Nor shall this letter create any reliance on either party to act or not act in any specific way. It is intended to facilitate discussion of the key agreement terms and conditions of the future agreements relating to this joint project.

Date Approved: December 2, 2024

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Ed Shikada  
City Manager

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Anne Cribbs  
Friends of the Palo Alto  
Recreation Wellness Center