



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MAY 23, 2013

FROM: EXECUTIVE OFFICE

**SUBJECT: RESOLUTION NO. _____ APPROVE HARBOR
COMMUNITY BENEFIT FOUNDATION'S ROUND 2 OF FUNDING FOR
THE HEALTH CARE GRANT PROGRAM OF THE TRAPAC MOU AND
THE TRANSFER OF FUNDS TO THE HARBOR COMMUNITY BENEFIT
FOUNDATION**

SUMMARY:

In accordance with the Operating Agreement of the TraPac Memorandum of Understanding (Operating Agreement), the Harbor Community Benefit Foundation (HCBF) hereby submits a request to approve Round 2 of funding for grant awards to local clinics and other health service providers for projects aimed at addressing health impacts from air pollution from Port related sources. Approval will allow the HCBF to fund Round 2 for the Health Care Grant Program contemplated in the Operating Agreement.

Staff has reviewed the proposal submitted by the HCBF and recommends approval in accordance with the Operating Agreement of the TraPac Memorandum of Understanding (TraPac MOU).

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Approve the Harbor Community Benefit Foundation's request to fund Round 2 of the Health Care Grant Program to grant awards to local clinics and other health service providers for projects aimed at addressing health impacts from air pollution stemming from port operations as Phase 1 of the original TraPac Memorandum of Understanding as follows:

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Tzu Chi Foundation	\$17,500
The Children's Clinic (TCC)	\$101,000
Long Beach Alliance for Children with Asthma (LBACA)	\$96,500
Wilmington Health Center (WHC)	\$75,000
Harbor Community Clinic	\$75,000
Boys & Girls Club of LA Harbor	\$85,000
Total	\$450,000

2. Authorize the Executive Director or her designee to execute a joint letter with the Harbor Community Benefit Foundation to approve the distribution of funds in one lump sum payment of \$450,000 from the California Community Foundation to the Harbor Community Benefit Foundation to be used in accordance with this Harbor Community Benefit Foundation's request; and
3. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The HCBF is the non-profit entity established to operate the Port Community Mitigation Trust Fund (PCMTF) which was created in accordance with the original TraPac MOU. The HCBF is requesting approval to use PCMTF funds in the amount of \$450,000 to provide funds to local clinics, other health service providers, and other organizations aimed at addressing health impacts from air pollution stemming from port operations as Phase 1 of the original TraPac MOU HCBF's Health Care Grant Program which proposes to mitigate these impacts by funding health care services, supplies, or other assets to treat or reduce asthma and other cardiopulmonary diseases. The projects are consistent with the TraPac MOU and include education, outreach, diagnostic screening, and monitoring programs to reduce the health-related impacts of air pollution.

In Round 1 of funding, HCBF received only seven applications, requesting a total of \$1.2 million; four (4) qualified applicants were awarded a total of \$350,000 in grants for programs serving the residents of Wilmington as required under Section V.A. and Exhibit A of the TraPac MOU.

Measured Results from Round 1 were released on April 24, 2013. Grantees are

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required to convene together with HCBF staff quarterly (presently at Tzu Chi) and are required to provide semi-annual written reports to demonstrate the impact of each program. Grantees are strongly encouraged to collaborate with community partners. The first set of reports, submitted on March 30, 2013, revealed better than expected results. Most significant was the celebrated opening of a respiratory clinic at the Wilmington Health Center (Ribbon Cutting with Congresswoman Janice Hahn and Mike Christensen on March 27, 2013) followed by HCBF's inaugural Wilmington Health Fair. Highlights from the first six months are attached – copies of the full reports are available upon request (Transmittal 1a.)

In Round 2 of funding, HCBF expanded the program to serve the communities of Wilmington *and* San Pedro. Proposals submitted were required to address one or more of the following priorities:

1. Diagnosis/Treatment;
2. Medical Supplies & Pharmaceuticals; and/or
3. Education/Outreach/Access.

Eligible applicants included: local clinics, health service providers, community-based organizations, nonprofit 501(c)3, and institutions for higher learning based in or serving the Wilmington and/or San Pedro communities.

HCBF Board Actions - On February 15, 2013 the HCBF Board of Directors, by majority vote approved the Health Care Grant Agreement and authorized the HCBF Executive Director to finalize and execute Round 2 of funding disbursement in the amount of \$450,000 for the HCBF Health Care Grant Program.

Factors to be Considered by the Board of Harbor Commissioners - The Operating Agreement of the TraPac Memorandum of Understanding sets forth the relationship between the HCBF and the Board. The Board remains the trustees of the Tidelands assets at issue, the funds in the PCMTF, and must exercise "its independent judgment to determine that [proposed HCBF] projects mitigate a direct or indirect impact from Port or Port-related operations and are consistent with the Tidelands Trust and the [TraPac] MOU."

In accordance with Section 5.C of the Operating Agreement, the Board shall consider the following factors in voting on an HCBF requested project:

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- a) consistency with the TraPac MOU and the Tidelands Trust;
- b) whether the identified impact is attributable to Port or Port-related operations;
- c) whether the proposed project reasonably and appropriately mitigates, addresses, reduces, or eliminates the identified impact;
- d) that the budget and schedule for funding draw-downs from the PCMTF is appropriate for the type of project, and
- e) the substantial form of contracts which the Nonprofit proposes to enter into if the project is approved.

The Board may not arbitrarily or unreasonably decline to fund a project. Should the Board decline to fund a project recommended by the HCBF, it shall provide written findings relating to the reasons for the rejection based on the factors above.

Staff has reviewed the request submitted by the HCBF and recommends the Board's approval based on these factors.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval to award Round 2 of the HCBF grant funding in accordance with the TraPac MOU to local clinics and health service providers for projects to address health impacts of air pollution. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of the California Environmental Quality Act in accordance with Article II Section 2 (f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

Approval of the proposed Agreement will support 2 direct and 3 secondary one-year equivalent jobs for the five county region.

FINANCIAL IMPACT:

The Board previously approved the transfer of \$350,000 under Round 1 funding. The \$450,000 in funds requested by the HCBF will be transferred from the CCF to the HCBF upon approval by the Board. This amount is augmented by \$984,000 in additional health care grant funding from other sources as detailed in the Memo from the HCBF to the Board for a total of \$1,434,000. As of May 17, 2013 the PCMTF balance is approximately \$8,239,600.

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AND TRANSFER OF FUNDS

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the requested funding and transfer as to form and legality including conformance with the TraPac MOU and Operating Agreement.

TRANSMITTALS:

1. Request from the Harbor Community Benefit Foundation for Health Care Grant Program Round 2 Funding – Memorandum dated April 25, 2013
 - a. Health Care Grants Round 1. Six-Month Progress Report - Highlights
 - b. Sample Applicant Evaluation Form
 - c. Grantee Executed Agreements with Exhibits A (Scope of Services), B (Budget) and (Six-Month Grantee Progress Report Form) for:
 - i. Wilmington Health Center
 - ii. Tzu Chi
 - iii. The Children's Clinic
 - iv. Long Beach Alliance for Children with Asthma
 - v. Harbor Community Center
 - vi. Boys and Girls Club LA Harbor
 - d. Health Care Grants – Round 2. Economic Impact – FTE Job Count

FIS Approval:  (initials)

CA Approval:  (initials)

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

GK/mrc

Author: A.P. Benson